ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES

ACN 140 575 604

FINANCIAL REPORT FOR THE YEAR ENDED
30 JUNE 2017

ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
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DIRECTORS' REPORT

Your directors present their report, together with the financial statements of the Group, being the company and its controlled entities, for the financial year ended 30 June 2017.

Directors

The following persons were Directors of Alligator Energy Limited ("the Company" or "Alligator") (together with its Controlled Entities referred to as "the Group") during the whole of the financial year and up to the date of this report, unless otherwise stated:

John Main
Paul Dickson
Andrew Vigar
Peter McIntyre
Gregory Hall

Principal activities and significant changes in nature of activities

The principal activity of the Group is uranium mineral exploration. There were no significant changes in the nature of the Group's activities during the year.

Dividends

There were no dividends paid to members during the financial year.

Operating and Financial Review

a) *Operating Performance*

Alligator is pleased with its sound operating performance over the financial year as reflected in the following key indicators:

- The Company operated its exploration site without any lost time injuries
- There were no reportable environmental issues
- Compliance was maintained with obligations under the Exploration Agreements with the Northern Land Council and Traditional Owners.
- There was full compliance with all applicable agreements, regulations and laws.

b) *Operations for the year*

Exploration

The Board and management of Alligator continued the strategy of exploring exclusively for uranium deposits with a resource potential of greater than 100Mlb U3O8 in the Beatrice Joint Venture tenement and in its own Tin Camp Creek tenement.

Overview

During the 2016 field season (June – October) Alligator completed its sixth year of active exploration within the Alligator Rivers Uranium Province.

Target TCC4 remains Alligator's outstanding target, and is drill ready. BT12 is also a top quality and very large geochemical anomaly requiring a geophysical survey to refine drill targets. Through continued commitment to its research and development (R&D) program Alligator is further refining the ability to pinpoint and discriminate potential uranium deposits. Improvements in both uranium decay isotope (pathfinder) geochemistry and geophysical survey understanding has resulted in re-ranking targets TCC1, TCC2, TCC14, to high potential justifying further sandstone sampling and analyses.

An interpretation of basement stratigraphy and structure beneath the overlying Kombolgie Sandstone was completed during the field season. This has allowed clearer identification of basement settings deemed suitable for unconformity uranium deposits and a greater focus on these prospects. Two areas, BT5 and BT7 in the Beatrice tenement, have been singled out for reconnaissance sandstone sampling and uranium pathfinder element analyses during the 2017 field season. This sampling work was conducted in August 2017 and the results are expected in late September early October.

The prospectivity of EL27250 (Beatrice East – 100% AGE) was downgraded and was relinquished at the end of the 2016 field season.

Finally, following regional interpretation, an exploration application (ELA 31480 - Nabarlek North) was lodged over an area of highlighted interest, just over 5km north of the historic Nabarlek uranium mine site. Alligator's uranium pathfinder and geophysical R&D techniques would be highly suited to exploration across this tenure if granted.

Beatrice JV Tenements

The Beatrice JV tenements being EL24291 and EL 26796 and a number of ELAs are held 55.31% by Alligator and 44.69% by Cameco Australia Pty Ltd (Cameco).

The priority target within the Beatrice JV tenements is BT12. Mapping and geophysics show preferred Cahill Formation forming stratigraphy south of the Beatrice Fault and extending north under overlying Kombolgie Sandstone. This places preferred basement stratigraphy directly below very large and very strong uranium pathfinder anomalies at BT12 (Figure 1).

The basement geological interpretation has also highlighted BT7 and the BT5/6 areas to be significantly prospective justifying sampling and analyzing the overlying Kombolgie Sandstone for uranium pathfinder elements in 2017 (post financial year end). BT7 is located just 12.5km south-east of the Ranger uranium mine. Both have the sought after preferred rock types and large regional structures.

Cameco have elected not to participate in the 2017 field season work program and consequently their interest in the JV tenements will be diluted by eligible expenditures incurred through to 31 December 2017.

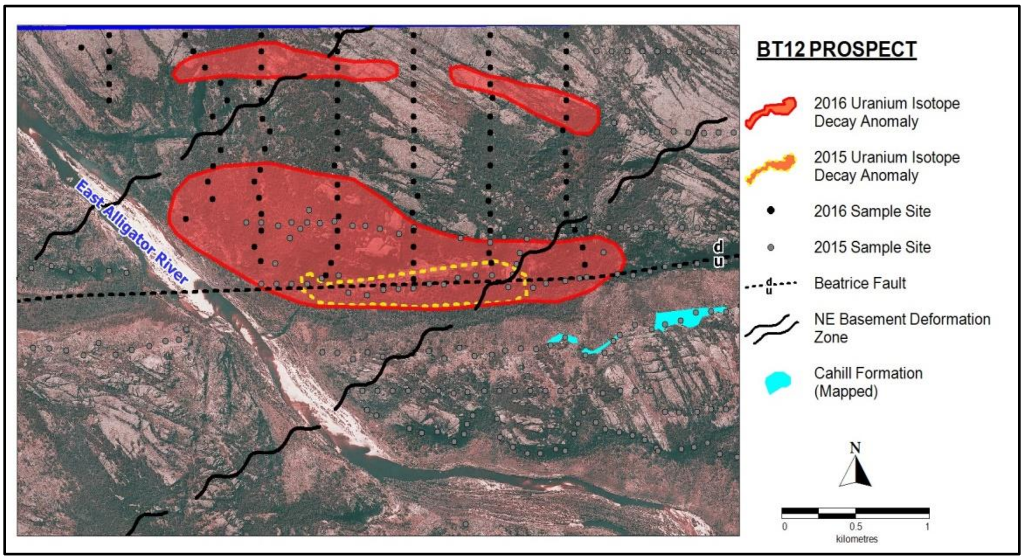

Figure 1: Pb 207/206 ratio results at BT12

Tin Camp Creek Tenements (Alligator 98%)

TCC4 located within the Tin Camp Creek tenement remains the standout target for Alligator. Coincident high levels of uranium pathfinder elements, SAM conductors, preferred Cahill Formation basement and large fault structures make this a "high-conviction" unconformity uranium deposit target. See Figure 2 below. Alligator has excellent geochemical and geophysical data for the prospect, which is at a drill ready state once uranium market sentiment improves.

Through Alligator's continued R&D program it has been able to improve analysis techniques for uranium pathfinder elements and interpretation of these results. Following a review of all existing geochemistry from previous surface sandstone sampling programs, several targets have now been re-ranked. Previous results from sampling at TCC1, TCC2 and TCC14 have been deemed very encouraging but inconclusive. Follow-up sampling is now planned in 2017 to fully define and refine the pathfinder features at these targets.

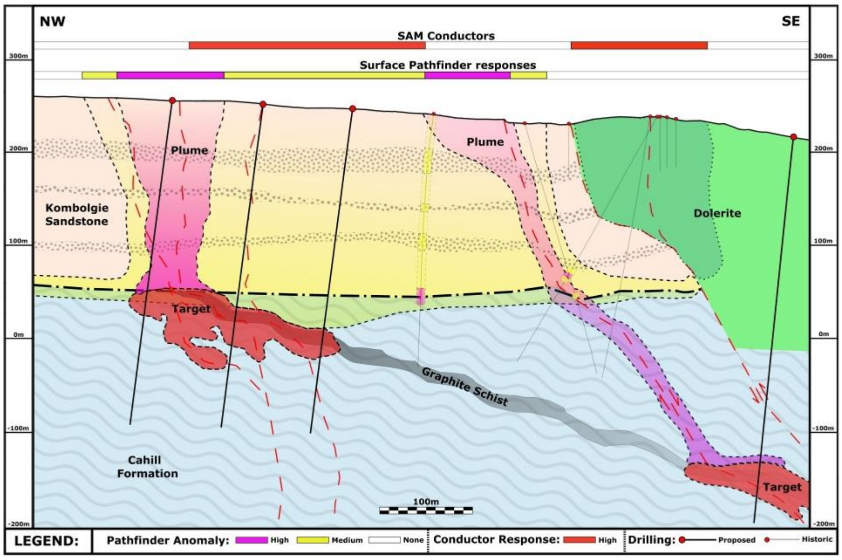

Figure 2: TCC4 Stylized cross section showing drill targets

Corporate

Beatrice Project JV

The Group completed its Stage 2 expenditure obligation on 31 December 2015 and consequently earned 51% interest in the Beatrice uranium project.

The Group's Joint Venture partner, Cameco Australia Pty Ltd (Cameco) elected not to contribute to the 2016 calendar year exploration work program. Under the dilution clause of the Joint Venture Agreement, the Group had the right to increase its interest in the Joint Venture by a further 4.3% through sole funding the 2016 work program to the extent of $378,207. The transfer of this interest is currently being registered in the name of Alligator. Cameco has also elected not to contribute to the 2017 calendar year work program and their interest will be further diluted based on a determination at 31 December 2017.

New Opportunities Team

In November 2016, the Group announced that it remained committed to maintaining its interests in the Alligator Rivers Uranium Province whilst actively seeking other business opportunities including in other commodities. In this regard, the Company allocated $100,000 of the proceed from the November 2016 capital raising to the evaluation of other business opportunities.

In late December 2016, the Group commenced the process of actively evaluating other business opportunities and has actively sought introductions through the networks immediately available to it through its Directors and also with Macallum Group. The Company entered into a binding memorandum of understanding with Macallum Group whereby Macallum Group agreed that any projects identified by Macallum Group that would be a suitable fit for the Group would be introduced as a priority.

New Opportunities Team comprising two independent directors, the Exploration Manager, an external geological consultant, and an external business advisor have been actively assessing opportunities. At the date of this report there were no opportunities that had progressed to the stage where the Group was obliged to advise the market under the Continuous Disclosure obligations of the ASX Listing Rules.

Exploration Development Credits

On 9 December 2016, Alligator was advised that the Australian Taxation Office (ATO) had accepted its application to participate in the Exploration Development Incentive scheme (Scheme) for the 2017 taxation year. One hundred percent of the Company's 2016 exploration expenditure was deemed eligible to participate in the Scheme. On 26 June 2017, the Company distributed of $642,676 (at the 28.5% corporate tax rate) in exploration credits to shareholders with a Record Date of 26 May 2017. The credit amounted to $1,412 per one million shares.

Director Fee Plan

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 resolved, subject to shareholder approval, to continue the election to receive Fee Plan shares in lieu of cash payments for each quarter until such approval was obtained. Shareholders in general meeting provided this retrospective approval and on 30 December 2016 2,815,990 ordinary fully paid shares were issued to directors for the March, June and September 2016 quarters.

Shareholders in general meeting on 18 November 2016 approved an extension to the Directors' Fee Plan for twelve months from that date (2017 Fee Plan). The 2017 Fee Plan allows directors to apply for shares in lieu of receiving cash payments for non-executive fees. This arrangement assists the Group to conserve cash balances for exploration.

To avoid excessive dilution of shareholders in times of a depressed share price, a four cent per share floor price was incorporated into Fee Plan elections with effect from June 2016. This has the effect of deferring a portion of Fee Plan elections until such time as the share price exceeds four cents per share. At 30 June 2017 the floor price mechanism has resulted in the deferral of $111,999 of Fee Plan elections which is recorded as a liability at that date.

The Company has issued 2,128,750 fully paid ordinary shares under the 2017 Fee Plan for the December 2016 and March 2017 quarters. Subsequent to 30 June 2017 a further 1,147,500 fully paid ordinary shares were issued for the June 2017 quarter.

Research & Development

Alligator's is conducting an R&D program 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.

In the 31 December 2016 Quarterly Activities Report, Alligator indicated that an R&D Offset claim for the 2016 tax year had been compiled with the assistance of an R&D tax consultant and lodged with the ATO. In March 2017 the Company received the net proceeds of an R&D Offset claim for the 2016 tax year totalling $230,000.

The company's R&D program is considered an important component of the company's strategy to realise the potential of the Alligator Rivers Uranium Province.

In compliance with terms of consent to operate and in collaboration with a ranger group formed by the Traditional Owners to protect and manage their country, Alligator 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.

c) *Operating Loss*

The operating loss before tax and impairment charge decreased by 18.6% for the financial year, principally as a result of (i) a reduction in the employee benefits expense as a result of the Group not replacing the CEO who resigned in December 2015. The Chairman of the Group has been acting as the CEO without receiving any further compensation; (ii) legal fees reducing from the previous year where significant advice was sought on matters associated with the transfer of a registered interest in the Beatrice tenements, business development and in advancing Traditional Owner negotiations associated with the processing of a further exploration license application held by the Group.

The reduction in the operating loss before tax and impairment was partially offset by an increase in business development expenditure associated with the activities of the New Opportunities Team and involvement with the CSIRO in a collaborative R&D weed control program with Traditional Owner ranger groups.

At 30 June 2017, the Directors conducted a review of the capitalised exploration and evaluation expenditure for the Group. Due to the depressed market for uranium, the Directors resolved to raise an impairment provision of $1m against the costs associated with acquiring a number of exploration licence applications (ELAs) at the time of the ASX listing in 2011. This decision was based upon the fact that the short to medium term focus of the Group will be on the TCC and Beatrice JV priority targets.

d) ***Financial Position***

Net assets decreased by 8.7% during the financial year. This is principally as a result of the impairment charges against capitalised exploration and evaluation expenditure totalling $1.2m. The cash balance at 30 June 2017 decreased by $308,417 during the year as a result of the receipt of a lower R&D Offset claim and capital raising proceeds when compared to the prior year.

During the year the Group incurred and capitalised exploration and evaluation costs of $0.8m (2016: $2.8m). In addition, R&D Tax Offsets relating to the 2016 tax year was received totalling $0.3m (2016: $0.6m). Under the Group's accounting policy for government grants, incentives and R&D offsets this amount was recorded against Capitalised Exploration & Evaluation Expenditure in the Statement of Financial Position, reducing this balance.

In December 2016, the Company completed a non-renounceable rights issue raising $0.9m . The non-renounceable rights issue was conducted on a 1:4 basis at 1 cent per new share and a 2.1 cent listed option for every two new shares. The offer was partially underwritten by Taylor Collison and Macallum Group Limited.

The Company also issued 4,944,740 fully paid ordinary shares to directors under the Director Fee Plan approved by shareholders at the 2016 AGM, 2,815,990 shares retrospectively and 2,128,750 shares under the current plan. This resulted in fees due to directors of $69,287 (2016:$100,365) being retained by the Company for re-investment in operating activities.

e) ***Business strategies and prospects for future financial years***

<u>*Strategy and Business Plan*</u>

The Group remains focused on the discovery of world - class, high grade uranium deposits in the Alligator Rivers Uranium Province in western Arnhem Land. The Group has a pipeline of targets to assess on the Tin Camp Creek Project area and Beatrice Project areas. Specifically the Group has identified TCC 4 and BT12 as the two priority targets.

The Group believes that exploration success can be maximized by ensuring multiple high quality target areas are tested as efficiently as possible with a strong technical focus supported by a targeted Research and Development Program.

In November 2016, Alligator announced that it was forming a New Opportunities Team which was being led by an independent non-executive director with the objective of assessing advanced stage exploration projects including commodities other than uranium. This team assessed a number of opportunities in the second half of the 2017 financial year and the process is ongoing.

Risk Factors

The Group is subject to the inherent risks which apply to some degree to all participants in the exploration and mining industries. These risks which could impact on the execution of the Company's strategy include the following:

Lack of discovery success
Mineral exploration involves a high degree of risk in relation to the probability of the discovery of a significant resource which can be commercially developed. Regardless of the application of experience, technical knowledge and careful evaluation, the discovery of commercial deposits of uranium cannot be assured. Alligator strives to reduce exploration risk by ensuring a high level of experience and technical skill is applied to planning and execution of exploration programs.

There is also no assurance that if deposits of uranium are discovered, commercial development of these resources will occur. The commercial viability of a particular resource is dependent on a number of factors including the quality and nature of the resource and future commodity price and exchange rate fluctuations, factors which are beyond the control of the Company.

Capital requirements
Alligator relies on the issue of its equity shares or through joint venturing or optioning of Alligator's mineral properties to fund its business strategy. There can be no assurance that Alligator will be able to raise such capital or establish such agreements on favourable terms. If Alligator is unable to obtain such additional capital, it may be required to reduce the scope of its future exploration or drilling programs, which could adversely affect its business, financial condition and results of operation. The ability to raise capital on favourable terms is dependent on a range of external factors including the strength of equity and capital markets in Australia and throughout the world, changes in government policies and commodity prices.

Land Access Issues
Aboriginal land issues and Aboriginal heritage issues may affect the ability of Alligator to pursue exploration, development and mining on Alligator's properties. The resolution of Aboriginal land and Aboriginal heritage issues is an integral part of exploration and mining operations and Alligator is committed to managing the issues effectively.

Environmental and Compliance Issues
The current or future operations of Alligator, including mineral exploration or development activities and commencement of production, require permits from governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, environmental protection, mine safety, land access and other matters. Such laws and regulations may vary in future. There can be no assurance, however, that all permits which Alligator may require for mineral exploration or construction of mining facilities and

conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any mining project which Alligator might undertake.

In relation to current activities, the Group is in compliance with governing laws and regulations and manages these risks through its existing operating procedures, Environmental Plans, internal audits and liaison with regulators and stakeholders.

Significant changes in the state of affairs

Other than the items discussed in the review of operations above, there were no significant changes in the state of affairs of the Group during the year.

Environmental Issues

The Group's operations are subject to environmental regulations in regards to its exploration activities. The Group is compliant with all aspects of these requirements. The directors are not aware of any environmental law that is not being complied with.

Matters subsequent to the end of the year

Formation of the Altor Energy Pty Ltd 50:50 Joint Venture

Subsequent to year end, on 19 July 2017, Alligator advised that it had entered a 50:50 incorporated Joint Venture (JV) company with the private exploration group Torch Energy Pty Ltd (Torch). The new company, named Altor Energy Pty Ltd (Altor), has been established to pursue advanced stage uranium project opportunities, and, by mutual agreement, other energy related minerals project opportunities in politically and economically stable jurisdictions. All existing exploration mineral title, mineral title applications, prospects, rights and assets of the two companies are specifically excluded from the JV and remain the property of the individual company.

Torch was founded by experienced uranium exploration geologist Andrew Browne, and includes fellow board directors Bill Haylock and Greg Hall (Greg is also a non-executive director of Alligator). Torch holds exploration tenements in the ARUP region also, and has been evaluating potential advanced stage uranium projects globally. Andrew has 47 years global uranium experience, was team leader during exploration at the Ranger area, and more recently led the team that discovered the greater than 300 million pound Arrow uranium deposit in the Athabasca Basin owned by NexGen Energy Ltd.

The greatest strengths of Altor are its world class team of uranium project explorers, evaluators and operators together with its vast knowledge of, operational experience in and outstanding success in three of the five major global uranium provinces in the world.

Altor has a wide range of contacts in the uranium and mining industries to support its activities. It will have access to the exploration team and assets of AGE to quickly access and assess advanced uranium projects.

Share Placement

On 16 August 2017, Alligator finalised a placement of 30,000,000 shares at $0.01 per share to raise a total of $300,000 before raising costs. The placement was made available to exempt or sophisticated investors under the requirements of S708 (8) – (10) inclusive and therefore did not require a disclosure document. The capital raised will provide Alligator with additional working capital to finalise the 2017 field program and to continue to actively pursue advanced stage uranium project opportunities. The shares rank equally in all respects with Alligator's existing ordinary fully-paid shares.

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect:

a) The Group's operations in future financial years, or
b) The results of those operations in future financial years, or
c) The Group's state of affairs in future financial years.

Information on Directors

The following information on directors is presented as at the date of signing this report.

John Main – MSc.Hons and MAusIMM **Executive Chairman**

John is a geologist with 45 years of global experience in mineral exploration and evaluation, including executive positions with CRA and Rio Tinto, across many mineral commodities and mineralisation styles and in many countries. John has lead teams that have discovered eight deposits which have been mined, are being mined or being developed as mines. He pioneered mineral exploration and development ventures with Indian and Inuit groups in the USA. He was a director of Extract Resources Limited (EXT), and is a current director of Macallum Group Ltd (MGL). He is a member of the AusIMM and GSA.

Other current directorships	Non-Executive Chairman of Macallum Group Limited
Former directorships (last three years)	Nil
Special responsibilities	Chairman of Board of Directors and a member of the Audit & Risk Management Committee
Interests in shares / options	6,577,629 ordinary shares (indirect); 477,951 listed 2.1c options; and 91,164,286 ordinary shares and 9,116,429 2.1c listed options held by a related party to the director.
Length of service	3 years and 11 months

Andrew Vigar - BSc (App. Geo.), FAusIMM, MSEG **Independent Non-executive Director**

Andrew has 40 years' experience in the minerals industry covering all areas from exploration to mining, corporate and finance. He completed a degree in geology in 1977 and later studied Geostatistics and lectured in Ore Body Modelling at the University of Queensland. After 20 years with mining companies Utah (BHP), Emperor, WMC, Pancontinental and CRA (Rio Tinto) he commenced consulting in 1996 as Vigar & Associates before joining SRK Consulting for 5 years and then founded Mining Associates in Brisbane in 2003. He established the global operations of Mining Associates Limited based in Hong Kong in 2009 where he is Chairman. In addition to Mining Associates and various private family interests he was closely involved in the founding and listing of several public companies on the ASX and TSXV, including K92 Mining (TSXV:KNT). He is a Fellow of the AusIMM, a member of the Society of Economic Geologists and Fellow of the Australian Institute of Geoscientists

Other current directorships	Nil
Former Directorships (last three years)	Formerly a Director of Krucible Metals Limited (now TopTung Limited).
Special responsibilities	Member of the Company's Audit & Risk Management Committee
Interests in shares / options	3,611,986 ordinary shares (direct and indirect) and 214,539 listed 2.1c options
Length of service	6 years and 10 months

Information on Directors (continued)

Paul Dickson - B.Ed. SF Fin Grad Dip TA **Independent Non-executive Director**

Paul Dickson has over 25 years of experience in the finance services industry. He has worked with a number of stock broking firms including Ord Minett Ltd and Colonial Stock-broking Limited and more recently has been a director of a number of corporate advisory boutiques. Paul was a director of DDM Capital Pty Ltd, which provided a range of services including capital raising and general corporate advice for small-cap companies.

Paul is a director of Proserpine Capital Partners Pty Ltd, a Private Equity business based in Melbourne.

Other current directorships	Non-executive Chairman of Terrain Minerals Limited (ASX Listed) and Condor Energy Services Limited
Former directorships (last three years)	Nil
Special responsibilities	Chair of the Audit & Risk Management Committee
Interests in shares / options	6,013,867 ordinary shares (indirect) and 512,308 2.1c listed options
Length of service	7 years and 7 months

Peter McIntyre - BSc. Eng; MSc. Mgmt **Non-executive Director**

Peter has more than 30 years of experience in the resources sector, including 15 years with WMC Ltd. He has been involved with the development of a number of major mining projects, and at a corporate level he has established and steered various companies through their early stages into significant businesses. Prior to its takeover, Peter established and was Managing Director of Extract Resources Limited during the critical discovery and pre-feasibility stage of the Husab Uranium Project, in Namibia.

Other current directorships	Non-executive director of Macallum Group Ltd and Zamanco Minerals Ltd
Former directorships (last three years)	Nil
Special responsibilities	Nil
Interests in shares / options	9,082,092 ordinary shares (indirect); 761,550 2.1c listed options and; 91,164,286 ordinary shares and 9,116,429 2.1c listed options held by a related party to the director.
Length of Service	3 years and 11 months

Gregory Hall – BE in Mining Engineering **Independent Non-executive Director**

Greg, a Mining Engineer, has over 30 years' experience as an executive in the resources sector, particularly in uranium resource projects. He has held operational management roles at Olympic Dam (WMC) and Ranger Uranium Mine (North / Rio Tinto), and was founding Managing Director of Toro Energy Ltd (achieving WA's first fully approved uranium project) and CEO of Hillgrove Resources

Information on Directors (continued)

Ltd. Greg has a deep understanding of the international uranium and nuclear sector and is acquainted with commodity markets having been a Marketing Manager for Rio Tinto Uranium and Director Sales (Bauxite & Alumina) at Rio Tinto Aluminium.

Greg is Past Board and Exco member of the Australian Uranium Association and is a VP on the SA Chamber of Mines and Energy Council.

Other current directorships	Non-executive director of Torch Energy Pty Ltd
Former directorships (last three years)	Executive director of Hillgrove Resources Ltd and Executive and Non-executive director of Toro Minerals Ltd
Special responsibilities	Nil
Interests in shares / options	1,524,516 ordinary shares and 105,440 2.1c listed options
Length of Service	2 years and 2 months

Company Secretary

Mike Meintjes - BCom (Hons), ACA, F Fin

Mike is a Chartered Accountant with 31 years professional services experience principally with a Big Four accounting firm and more recently in part-time contracting and consulting roles. During this time he gained extensive exposure to the mining and oil and gas sectors, including having advised a number of junior mineral explorers in both Western Australia and Queensland. Mike also holds the Company Secretarial role with Resource Generation Limited (ASX: RES) and was Company Secretary to TopTung Limited (ASX: TTW) for four years.

Meetings of directors

The number of meetings of the Company's board of directors held during the year ended 30 June 2017, and the number of meetings attended by each director were:

	Directors' Meetings		**Audit & Risk Mgmt Committee Meetings**	
	Number held while a director	**Number attended**	**Number held while a director**	**Number attended**
John Main	8	8	2	2
Paul Dickson	8	8	2	2
Andrew Vigar	8	7	2	2
Peter McIntyre	8	7	-	-
Greg Hall	8	8	-	-

Indemnification of Directors and Officers

Insurance premiums have been paid, during or since the end of the financial period, in respect of a contract of insurance indemnifying the insured against liability, of which payment does not contravene the Corporations Act (Cth) 2001 as amended. The contract of insurance prohibits the disclosure of the nature of the liabilities and the amount of the premium.

Shares under Option

At the date of this report, the unissued ordinary shares of Alligator Energy Limited under option are as follows:

Grant date	Number under option	Expiry date	Issue price of shares
26 Nov 2014	2,205,882	26 Nov 2017	Zero Strike Priced
7 Mar 2017	2,913,158	7 Mar 2018	Zero Strike Priced
21 April 2015	2,035,647	21 April 2018	Zero Strike Priced
7 June 2016	1,272,300	7 June 2019	Zero Strike Priced
27 Dec 2016	44,992,049	27 Dec 2019	2.1 cents
7 Mar 2017	2,913,158	7 Mar 2020	Zero Strike Priced

Option holders do not have any rights to participate in any issues of shares or other interests in the Company or any other entity. For details of options issued to directors and executives as remuneration, refer to the remuneration report.

During the year ended 30 June 2017, 999,169 ordinary shares were issued on vesting of performance options granted to employees and contractors under a short-term incentive scheme.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

REMUNERATION REPORT (AUDITED)

This report provides information regarding the remuneration disclosures required under S300A of the Corporations Act 2001 and has been audited.

a) Principles used to determine nature and amount of remuneration

The Board of Alligator Energy Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the consolidated group, as well as create goal congruence between directors, executives and shareholders.

The Board reviews key management personnel packages annually by reference to the consolidated group's performance, executive performance and comparable information from industry sectors.

The remuneration policy of the Company has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific short and long-term incentives.

Compensation arrangements are determined after considering competitive rates in the market place for similar sized exploration companies with similar risk profiles.

REMUNERATION REPORT (AUDITED) (continued)

Fixed Compensation

Key management personnel receive a fixed amount of base compensation which is based on factors such as length of service and experience. Any applicable statutory superannuation amounts will be paid based on this fixed compensation.

Part-time key management personnel are paid an hourly rate based on market factors for the skills and experience required.

Performance Related Compensation (short term)

The Company has a formal performance related remuneration policy which is linked to short-term incentives under the Employee Share Option Plan. This policy applies to senior management with the performance KPIs linked to the area of responsibility for each individual. The proportion attributed to each KPI is based on a range of 10-30% of the total available performance incentive. Assessment of the performance by the Board must occur in January following the performance year. Cash performance incentives paid to senior management are only based on exceptional circumstances.

Long Term Incentives

The current Employee Share Option Plan was approved at a shareholder general meeting in November 2014.

Incentives are paid in the form of options or rights and are intended to align the interests of the Directors and Group with those of the Shareholders. The long term incentive applicable to senior management only vests 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 U_3O_8 is acquired or if there is a change of shareholding control (> 51%) of AGE. The long term incentives granted as options or rights have a three year life.

Non-Executive Directors

The Group's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Board determines the level of individual fees payable to non-executive directors which is then reviewed annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. The total fees for all non-executive directors, as approved at the 2010 Annual General Meeting, must not exceed $250,000 per annum.

Non-executive directors currently receive $42,000 per annum plus statutory superannuation. The non-executive chairman receives $54,000 per annum plus statutory superannuation. There are no termination or retirement benefits other than statutory superannuation.

The Directors have adopted a Directors' Fee Plan (Fee Plan) for non-executive directors with effect from the 2014 financial year. This Plan was subsequently updated and approved by shareholders in general meeting in November 2015 and 2016. The Fee Plan applies for a twelve month period from approval and enables a director to elect, on a quarterly basis, to take all or a portion of their quarterly remuneration in shares based on the weighted average price of the company's shares for the thirty days before the end of each quarter.

REMUNERATION REPORT (AUDITED) (continued)

This Plan enables the company to conserve cash for exploration activities and for the year ended 30 June 2017, directors elected to accept fee payments totalling $178,675 in shares for remuneration that had accrued over the financial year.

To avoid excessive dilution to shareholders during the current depressed market conditions, the Directors resolved to set a floor price of A$0.04 for the issue of Plan Shares with effect from 1 April 2016. During the 2017 financial year all Plan Shares issued to directors were determined based on the floor price of A$0.04 per share rather than the 30 Business Day VWAP Market Price under section (d) of the Fee Plan. This has resulted in an accrual for unpaid fees to directors at 30 June 2017 which will be settled when the 30 Business Day VWAP Market Price exceeds A$0.04. The amount of deferred director fees at 30 June 2017 totalled $ 169,256.

Options were last granted to non-executive directors based on shareholder approval at the 2010 Annual General Meeting. This arrangement was intended to align directors' interests with shareholders' interests.

Engagement of Remuneration Consultants

During the year the Group did not engage remuneration consultants.

Relationship between Remuneration Policy and Company Performance

The remuneration policy has been tailored to increase congruence between shareholders, directors and executives. The methods applied to achieve this objective include performance based incentives and the adoption of the Fee Plan. The Company believes this policy has contributed to building shareholder wealth over the last 36 months in difficult market conditions for junior explorers.

The following table shows the share price performance over the last two years:

	30 June 2017	30 June 2016
Closing share price	$0.010	$0.014

b) Employment Details of Members of Key Management Personnel (KMP)

The following table provides employment details of persons who were, during the financial year, members of KMP of the Group. The table illustrates the proportion of the remuneration that was performance based.

KMP	Position held at 30 June 2016	Contract details	Proportions of elements of remuneration related to performance			Proportion of elements of remuneration not related to performance	
			Cash	Shares	Options	Fixed salary/fee	Total
Peter Moorhouse	Ops Geologist	To 31 Dec 2017	-	-	8.0%	92.0%	100%
Mike Meintjes	Company Sec	Four wks notice	-	-	6.7%	93.3%	100%

The performance element of the KMP remuneration split into the long and short term components is set out in Note 18.

REMUNERATION REPORT (AUDITED) (continued)

c) Directors and executive officers remuneration

The following table of benefits and payments details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Group.

		Short-term Benefits	Post-employment Benefits	Share-based Payments		Termin-ation Benefits	Total	Value of options as % of Remuneration
		Salary and Fees	Superannuation	Shares	Options			
		$	$	$	$	$	$	%
Directors								
J Main	2016	13,500	5,130	40,500	-	-	59,130	-
	2017	3,500	5,130	50,500	-	-	59,130	-
A Vigar	2016	10,500	3,990	31,500	-	-	45,990	-
	2017	-	3,990	42,000	-	-	45,990	-
P Dickson	2016	28,875	3,990	13,125	-	-	45,990	-
	2017	12,075	3,990	29,925	-	-	45,990	-
P McIntyre	2016	-	3,990	42,000	-	-	45,990	-
	2017	-	3,990	42,000	-	-	45,990	-
R Sowerby	2016	106,809*	10,147	-	3,122	-	120,078	2.6%
(resigned 31 Dec 2015)	2017	-	-	-	-	-	-	-
G Hall	2016	28,219	3,750	11,250	-	-	43,219	-
(appointed 24 July 2015)	2017	27,750	3,990	14,250	-	-	45,990	-
Key Management Personnel								
M Meintjes	2016	82,500	-	-	7,990	-	90,490	8.8%
Company Secretary	2017	95,636	-	-	6,878	-	102,514	6.7%
A P Moorhouse Exploration Manager	2016	132,061	12,546	-	16,550	-	161,157	10.3%
	2017	143,350	13,618	-	13,725	-	170,693	8.0%
Total	**2016**	**402,464**	**43,543**	**138,375**	**27,662**	**-**	**612,044**	**4.5%**
	2017	**282,311**	**34,708**	**178,675**	**20,603**	**-**	**516,297**	**4.0%**

*Short term benefits include a cash bonus of $24,750 based on achieving certain performance hurdles for the 2015 field season.

REMUNERATION REPORT (AUDITED) (continued)

d) Share based compensation

Details of options over ordinary shares in the Company that were granted as compensation to directors or key management personnel during the reporting periods and options that vested are as follows:

		Options Granted for year	Value of Options $	Note	Total Options vested for year	Options cancelled for year	Options available for vesting in future periods
Directors							
J Main	2016	-	-	-	-	-	-
	2017	-	-	-	-	-	-
A Vigar	2016	-	-	-	-	-	-
	2017	-	-	-	-	-	-
P Dickson	2016	-	-	-	-	-	-
	2017	-	-	-	-	-	-
R Sowerby	2016	-	-	-	N/A	N/A	N/A
(resigned 31 Dec 2015)	2017	N/A	N/A	-	N/A	N/A	N/A
P McIntyre	2016	-	-	-	-	-	-
	2017	-	-	-	-	-	-
G Hall	2016	-	-	-	-	-	-
(appointed 24 July 2015)	2017	-	-	-	-	-	-
Key Management Personnel							
M Meintjes	2016	562,500	2,531	(i)(ii)(iii)(iv)	204,070	68,023	1,011,064
Company Secretary	2017	1,263,158	10,800	(iii)(iv)	225,000	332,721	1,816,501
A P Moorhouse	2016	1,118,100	5,031	(i)(ii)(iii)(iv)	413,654	137,885	2,110,815
Exploration Manager	2017	2,368,420	20,250	(iii)(iv)	419,288	680,938	3,479,009
Total	**2016**	**1,680,600**	**7,562**		**617,724**	**205,908**	**2,762,829**
	2017	**3,631,578**	**31,050**		**644,288**	**1,013,659**	**5,295,510**

REMUNERATION REPORT (AUDITED) (continued)

Details of options in above table:

Note	Number issued	Grant Date	Expiry date	Exercise Price	Vesting	Fair value
(i)	200,000	7 Mar 14	7 Mar 17	$ 0.15	Immediate	$0.0297
(ii)	617,647	2 May 14	31 Jan 15	-	*see note	$0.051
	617,647	2 May 14	2 May 17	-	*see note	$0.051
(iii)	823,632	21 April 15	31 Jan 16	-	*see note	$0.041
	823,632	21 April 15	21 April 18	-	*see note	$0.041
(iv)	840,300	7 June 16	31 Jan 17	-	*see note	$0.012
	840,300	7 June 16	7 June 19	-	*see note	$0.012
(v)	1,815,789	7 Mar 17	7 Mar 18	-	*see note	$0.019
	1,815,789	7 Mar 17	7 Mar 20	-	*see note	$0.019

* The options were issued under a short and long term incentive plan based on KPI performance and discovery outcomes. The options are zero strike priced.

During the year 644,288 (2016: 617,724) options vested as a result of key management personnel meeting short term KPIs. These options were zero strike priced and were automatically converted into ordinary shares.

(b) Equity instrument disclosures relating to key management personnel

(i) Share holdings

The number of ordinary shares in the company held during the financial year by directors and key management personnel and their personally related entities is set out below:

Name	*Balance at the start of the year*	*Director Fee Plan issues*	*Rights Issue subscription /(On Market Disposal)*	*Received on vesting of Perf Options*	*Balance at the end of the year*
2017					
J Main*	3,823,601	1,460,627	955,901	-	6,240,129
A Vigar	1,716,309	1,204,099	429,078	-	3,349,486
P Dickson	4,098,454	680,799	1,024,614	-	5,803,867
P McIntyre*	6,092,394	1,204,099	1,523,099	-	8,819,592
G Hall	843,520	395,116	210,880	-	1,449,516
M Meintjes	443,041	-	360,761	225,000	1,028,802
A P Moorhouse	837,183	-	(423,529)	419,288	832,942
Total	**17,854,502**	**4,944,740**	**4,080,804**	**644,288**	**27,524,334**

*In addition to the above, 91,164,286 (2016: 72,931,429) ordinary shares and 9,116,429 2.1c listed options are held beneficially by a related party to the director.

REMUNERATION REPORT (AUDITED) (continued)

(ii) *Options*

The numbers of options over ordinary shares in the company held during the financial period by each director of Alligator Energy and other key management personnel of the company, including their personally related parties, are set out as follows:

Name	*Balance at the start of the year*	*Granted*	*Forfeited*	*Other Changes**	*Balance at the end of the year*	*Vested and exercisable*	*Unvested*
2017							
J Main	-	-	-	477,951	477,951	477,951	-
A Vigar	-	-	-	214,539	214,539	214,539	-
P Dickson	-	-	-	512,308	512,308	512,308	-
P McIntyre	-	-	-	761,550	761,550	761,550	-
G Hall	-	-	-	105,440	105,440	105,440	-
M Meintjes	1,111,064	1,263,158	(332,721)	(44,619)	1,996,882	180,381	1,816,501
A Moorhouse	2,210,815	2,368,420	(680,938)	(419,288)	3,479,009	-	3,479,009
	3,321,879	3,631,578	(1,013,659)	1,607,881	7,547,679	2,252,169	5,295,510

*- includes (i) the 1 attaching option for every 2 new shares acquired through the Rights Issue conducted in December 2016. The attaching options have a life of 3 years and an exercise price of 2.1cents; and (ii) for M Meintjes and A Moorhouse the reduction for options that vested and converted into ordinary shares.

End of the Remuneration Report

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-audit Services

The Board of Directors, in accordance with advice from the Audit Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. During the year, the Group's auditors have not performed any non-audit services in addition to their assurance duties.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 21.

This Directors' Report, incorporating the remuneration report, is signed in accordance with a resolution of Directors.

John Main
Chairman

Brisbane, 27 September 2017

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*
TO THE DIRECTORS OF ALLIGATOR ENERGY LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Alligator Energy Limited and the entities it controlled during the year.

PKF HACKETTS

PKF HACKETTS AUDIT

LIAM MURPHY
PARTNER

27 SEPTEMBER 2017
BRISBANE

PKF Hacketts Audit
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ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 $	2016 $
Other income – interest received		10,634	23,460
		10,634	23,460
Accounting and audit fees		(39,650)	(41,870)
Consultants and professional fees		(31,000)	(41,000)
Depreciation		(12,653)	(12,232)
Directors' fees		(243,090)	(240,319)
Employee benefits expense		(159,175)	(248,424)
Training		(390)	(15,952)
Legal fees		(45,430)	(109,243)
Occupancy expenses		(62,660)	(62,462)
Share-based payments		(42,235)	(48,921)
Stock exchange and share registry fees		(42,721)	(55,928)
Investor relations		(2,650)	(19,670)
Travel and accommodation expenses		(2,140)	(8,846)
Insurance		(44,734)	(54,921)
Business Development		(48,376)	(22,232)
Research & Development		(34,885)	(30,780)
Impairment charge	9	(1,249,624)	(8,668,595)
Other expenses		(28,120)	(30,098)
Loss before income tax		(2,078,899)	(9,688,033)
Income tax benefit / (expense)	20	-	-
Loss for the year		(2,078,899)	(9,688,033)
Other comprehensive income		-	-
Total comprehensive loss for the year		(2,078,899)	(9,688,033)
Loss attributable to members of the parent entity		(2,078,899)	(9,688,033)
Total comprehensive loss attributable to members of the parent entity		(2,078,899)	(9,688,033)
		Cents	**Cents**
Earnings per share for loss from continuing operations attributable to the ordinary equity holders of the Company			
Basic loss per share	5	(0.5)	(2.8)
Diluted loss per share	5	(0.5)	(2.8)

The accompanying notes form part of these financial statements.

ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	2017 $	2016 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	555,823	864,240
Trade and other receivables	7	18,412	30,103
Inventory		15,883	19,693
Total Current Assets		590,118	914,036
Non-Current Assets			
Trade and other receivables	7	238,454	233,761
Property, plant and equipment	8	103,856	174,945
Exploration expenditure	9	11,660,782	12,413,907
Total Non-Current Assets		12,003,092	12,822,613
Total Assets		12,593,210	13,736,649
LIABILITIES			
Current Liabilities			
Trade and other payables	10	236,085	225,054
Total Current Liabilities		236,085	225,054
Non-Current Liabilities			
Provisions	11	169,569	159,539
Total Non-Current Liabilities		169,569	159,539
Total Liabilities		405,654	384,593
Net Assets		12,187,556	13,352,056
EQUITY			
Contributed equity	12	28,747,028	27,864,177
Reserves		48,749	50,783
Accumulated losses		(16,608,221)	(14,562,904)
Total Equity		12,187,556	13,352,056

The accompanying notes form part of these financial statements.

ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Note	Contributed equity $	Options reserve $	Accumulated losses $	Total $
Balance at 1 July 2015		26,076,197	426,817	(5,258,095)	21,244,919
Total comprehensive loss for the year		-	-	(9,688,033)	(9,688,033)
Transactions with owners in their capacity as owners					
Equity contributions (net)		1,746,249	-	-	1,746,249
Share options - expired		-	(383,224)	383,224	-
Share options - exercised		41,731	(41,731)	-	-
Share options - value of expense		-	48,921	-	48,921
Balance at 30 June 2016		27,864,177	50,783	(14,562,904)	13,352,056
Total comprehensive loss for the year		-	-	(2,078,899)	(2,078,899)
Transactions with owners in their capacity as owners					
Equity contributions (net)		872,164	-	-	872,164
Share options - expired		-	(33,582)	33,582	-
Share options - exercised		10,687	(10,687)		-
Share options - value of expense		-	42,235	-	42,235
Balance at 30 June 2017		28,747,028	48,749	(16,608,221)	12,187,556

The accompanying notes form part of these financial statements.

ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 $ Inflows / (Outflows)	2016 $ Inflows / (Outflows)
Cash flows from operating activities			
Interest received		10,804	26,139
Payments to suppliers		(603,871)	(828,837)
R&D offset grants received		230,099	604,574
Net cash inflow(outflow) from operating activities	17	(362,968)	(198,124)
Cash flows from investing activities			
Payments for exploration expenditure		(743,632)	(2,911,541)
(Payments for) / receipts from security deposits		(4,693)	3,500
Payments for purchase of property, plant and equipment		-	(38,992)
Net cash inflow(outflow) from investing activities		(748,325)	(2,947,033)
Cash flows from financing activities			
Proceeds from capital raising		899,839	1,687,088
Payment of capital raising costs		(96,963)	(41,203)
Net cash inflow(outflow) from financing activities		802,876	1,645,885
Net increase (decrease) in cash held		(308,417)	(1,499,272)
Cash at beginning of financial year		864,240	2,363,512
Cash at the end of financial year	6	555,823	864,240

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

These consolidated financial statements and notes represent those of Alligator Energy Limited (the "Company" and Controlled Entities (the "Group"). The separate financial statements of the parent entity, Alligator Energy Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*. The financial statements were authorised for issue on 27 September 2017 by the directors of the Company. The Company is publicly listed and incorporated in Australia.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the *Corporations Act 2001,* Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Interpretations of the Australian Accounting Standards Board (AASB) and comply with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Going Concern

The financial statements have been prepared on a going concern basis that presumes the realisation of assets and the discharge of liabilities in the normal course of operations for the foreseeable future.

During the year the Group made a loss before tax of $2,078,899 (2016: $9,688,033), and recorded net cash outflows of $308,417 (2016: $1,499,272). The cash balance at 30 June 2017 was $555,823 (2016: $864,240).

In concluding that the going concern basis is appropriate, a cashflow forecast for the forthcoming twelve months has been prepared. This forecast indicates that the ability of the Group to continue on a going concern basis is dependent upon raising additional capital through existing shareholders or new strategic investors. Subsequent to 30 June 2017, the Company raised $300,000 (before raising costs) from sophisticated investors for additional working capital and to actively pursue advanced stage uranium opportunities. The Directors are confident of being able to secure further funding, when required, and believe the Group is a going concern and will be able to pay its debts as and when they fall due and payable.

Notwithstanding the position outlined above, should the Group not be able to raise the additional capital, there is a material uncertainty as to whether the Group will be able to continue as a going concern and, therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

These financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

Note 1 Summary of Significant Accounting Policies (continued)

a. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of entities controlled by Alligator Energy Limited at the end of the reporting period. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of subsidiaries is provided in Note 16.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. All inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

b. Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.
Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Note 1 Summary of Significant Accounting Policies (continued)

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use.

Note 1 Summary of Significant Accounting Policies (continued)

c. Property, Plant and Equipment (continued)

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20 - 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

d. Exploration and Development Expenditure

Expenditure is accumulated separately for each area of interest until such time as the area is abandoned or sold. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

If an area of interest is abandoned or is considered to be of no further commercial interest the accumulated exploration costs relating to the area are written off against profit or loss in the year of abandonment. Some exploration expenditure may also be written off where areas of interest are partly relinquished. In cases where uncertainty exists as to the value, provisions for possible diminution in value are established.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area.

e. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

f. Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (ie. trade date accounting is adopted).

Note 1 Summary of Significant Accounting Policies (continued)

f. Financial Instruments (continued)

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified as "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

Gains and losses are recognised in profit and loss through the amortisation process and when the financial asset is derecognised.

(iii) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains and losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Note 1 Summary of Significant Accounting Policies (continued)

f. Financial Instruments (continued)

Impairment
A financial asset (or group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

De-recognition
Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

g. Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value, less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

h. Employee Benefits

Short-term employee benefits
Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Note 1 Summary of Significant Accounting Policies (continued)

h. Employee Benefits (continued)

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the Group receive defined contribution superannuation entitlements, for which the Group pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Group's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Group's statement of financial position.

Equity-settled compensation

The Group operates an employee share ownership plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model or the prevailing market price for zero-priced options. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

i. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Note 1 Summary of Significant Accounting Policies (continued)

i. Provisions (continued)

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

j. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, and other short-term highly liquid investments with original maturities of six months or less.

k. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable, when it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest revenue is recognised using the effective interest rate method.

All revenue is stated net of the amount of goods and services tax (GST).

l. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

n. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

o. Inventories

Inventories are measured at the lower of cost and net realisable value.

p. Government Grants, Incentives, and R&D tax offsets

The Company has adopted the capital approach to accounting for research and development tax offsets under the revised regime, pursuant to AASB 120 Accounting for Government Grants and Disclosure of Government Assistance. Under this approach the grant or incentive is recorded directly in the statement of financial position against the underlying asset to which the offset, grant or incentive relate.

Note 1 Summary of Significant Accounting Policies (continued)

q. Site Rehabilitation

Costs of site restoration are provided for over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of building structures and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Costs associated with rehabilitating drilling activity during the field season are generally incurred during the financial year in which the drilling occurred.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

r. New Accounting Standards and interpretations

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current year. The adoption has had no material impact on the financial statements for the year ended 30 June 2017.

s. New Accounting Standards for Application in Future Periods

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact, are discussed below:

- AASB 9*: Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018). AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.
- AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2018, as deferred by AASB 2015-8: *Amendments to Australian Accounting Standards – Effective Date of AASB 15*). The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers revenue arising from the sale of goods and the rendering of services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

The Directors do not anticipate that the adoption of AASB 9 and AASB 15 will have an impact on the Group's financial statements.

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

  AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

Although the Directors anticipate that the adoption of AASB 16 will impact the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

Note 2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Critical judgements in applying the entity's accounting policies

Exploration and evaluation expenditure
The Group has capitalised exploration expenditure of $11,660,782 (30 June 2016: $12,413,907). This amount includes costs directly associated with exploration and the purchase of exploration properties. These costs are capitalised as an intangible asset until assessment and/or drilling of the permit is complete and the results have been evaluated. These direct costs include employee remuneration, materials, permit rentals and payments to contractors. The expenditure is carried forward until such a time as the area moves into the development phase, is abandoned or sold. Given exploration activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of recoverable resources and the difficulty in forecasting cash flows to assess the fair value of exploration expenditure there is uncertainty as to the carrying value of exploration expenditure. The ultimate recovery of the carrying value of exploration expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the interest in the tenements. The Directors are of the opinion that the exploration expenditure is recoverable for the amount stated in the financial statements after raising an impairment provision for:

- the costs associated with the exploring and evaluating the Caramel deposit on the Tin Camp Creek tenement; and
- the acquisition cost associated with acquiring a number of exploration licence applications (ELAs) at the time of the ASX listing in 2011

Provision for site restoration

The Group estimates the cost of rehabilitating disturbances as a result of exploration activity. These estimates are based on the requirements of current legislation, comprise an estimate of the external costs to rehabilitate and are consistent with the amounts reported to the Department of Primary Industries and Resources in the Northern Territory.

Note 3 Segment information

Operating segments are identified, and segment information disclosed, on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker which, for the Group, is the Board of Directors. In this regard, the Board of Directors confirms that the Group continues to operate in one operating segment, being mining and exploration, with its potential revenue on successful development being predominantly sourced in Australia.

Note 4 Dividend

No dividend has been paid during the year ended 30 June 2017 (2016: nil) and none is proposed.

Note 5 Earnings per share

	2017 Cents	2016 Cents
(a) Basic earnings per share		
Loss attributable to the ordinary equity holders of the Company	(0.5)	(2.8)
(b) Diluted earnings per share		
Loss attributable to the ordinary equity holders of the Company	(0.5)	(2.8)

	2017 $	2016 $
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit (loss) attributable to ordinary equity holders of the Company used in calculating basic earnings per share	(2,078,899)	(9,688,033)
Diluted earnings per share		
Profit (loss) attributable to ordinary equity holders of the Company used in calculating diluted earnings per share	(2,078,899)	(9,688,033)

	2017 Number	2016 Number
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	408,274,804	345,561,078
Adjustments for calculation of diluted earnings per share:		
Options	-	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	408,274,804	345,561,078

Note 6 Current assets - Cash and cash equivalents

	2017 $	2016 $
Cash at bank and in hand	202,521	214,240
Term deposits	353,302	650,000
	555,823	864,240

The effective interest rate on term deposits was 1.5% (2016: 1.58%).

Reconciliation of cash
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2017 $	2016 $
Cash and cash equivalents	555,823	864,240

Note 7 Trade and other receivables

Current

	2017 $	2016 $
GST receivable	18,412	28,598
Other receivables	-	1,505
	18,412	30,103

Non-Current

	2017 $	2016 $
Security deposits	238,454	233,761

Other receivables
These amounts generally arise from transactions outside the usual operating activities of the Company.

Note 8 Non-current assets – Property, plant and equipment

	2017 $	2016 $
Plant and Equipment – at cost	684,660	745,106
Accumulated depreciation	(580,804)	(570,161)
	103,856	174,945

	2017 $	2016 $
Carrying value at beginning of financial year	174,945	256,373
Additions	-	38,992
Disposals / written off	-	-
Depreciation expensed	(12,653)	(12,232)
Depreciation capitalised to exploration expenditure	(58,436)	(108,188)
Carrying value at end of financial year	103,856	174,945

Note 9 Non-current assets – Exploration expenditure

	2017 $	2016 $
Exploration & Evaluation phase costs		
Geological, geophysical, drilling and other expenditure – at cost	11,660,782	12,413,907
The capitalised exploration and evaluation expenditure carried forward above has been determined as follows:		
Opening balance	12,413,907	18,827,156
Expenditure incurred or tenements acquired during the period	756,598	2,859,920
R&D Offset (Note 1(p))	(260,099)	(604,574)
Impairment write-down	(249,624)	(885,130)
Impairment provision- Caramel deposit	-	(7,783,465)
Impairment provision- EL applications	(1,000,000)	-
	11,660,782	12,413,907

Farm-in costs incurred in relation to the Beatrice Joint Venture Project to the completion of Stage 2 in January 2016 have been included in capitalised exploration expenditure as acquisition costs under AASB 6. Since that date the Beatrice Joint Venture Partner (Cameco Australia Pty Ltd) has elected not to contribute their equity interest (44.7% (2016: 49%)) to joint venture expenditure and consequently all further expenditure which results in a dilution of their interest has also been treated as an acquisition cost.

At 30 June 2017, the Directors conducted a review of the capitalised exploration and evaluation expenditure for the Group. Due to the depressed market for uranium, the Directors resolved to raise an impairment provision against the costs associated with acquiring a number of exploration licence applications (ELAs) at the time of the ASX listing in 2011. This decision was based upon the fact that the short to medium term focus of the Group will be on the TCC and Beatrice JV priority targets.

Note 10 Current liabilities –Trade and other payables

	2017 $	2016 $
Trade and other payables	14,789	143,976
Accrued expenses	218,181	70,511
Employee entitlements	3,115	10,567
	236,085	225,054

The average credit period on purchases is 30 days. No interest is charged on trade payables.

Note 11 Non-Current liabilities - Provisions

	2017 $	2016 $
Site restoration	169,569	159,539
	169,569	159,539

Note 12 Contributed Equity and Reserves

a) Ordinary Shares

	2017 Shares	2017 $	2016 Shares	2016 $
Ordinary shares fully paid	455,864,044	28,747,028	359,936,109	27,864,177

Movements of ordinary share capital are as follows:

Date	Details	Number of shares	Issue Price cents	$
30 June 2015	**Balance**	**311,200,459**		**26,076,197**
10 July 2015	Director's Fee Plan	269,231	3.9c	10,500
22 Sept 2015	Rights Issue	39,427,183	4.0c	1,577,087
	Capital Raising Costs			(41,203)
28 Oct 2015	Director's Fee Plan	262,500	4.0c	10,500
2 Dec 2015	Share Subscriptions	2,750,000	4.0c	110,000
27 Jan 2016	Director's Fee Plan	2,045,455	2.2c	45,000
29 Feb 2016	Performance Option Vesting	1,526,736	2.7c	41,731
18 April 2016	Director's Fee Plan	2,454,545	1.4c	34,365
30 June 2016	**Balance**	**359,936,109**		**27,864,177**
22 Dec 2016	Rights Issue	62,407,104	1.0c	624,071
29 Dec 2016	Underwriting	27,576,923	1.0c	275,769
	Capital Raising Costs			(96,963)
30 Dec 2016	Director's Fee Plan	2,815,990	1.36c	38,433
1 Feb 2017	Director's Fee Plan	1,068,750	1.3c	13,894
15 Feb 2017	Performance Option Vesting	999,168	1.1c	10,687
24 April 2017	Director's Fee Plan	1,060,000	1.6c	16,960
30 June 2017	**Balance**	**455,864,044**		**28,747,028**

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Note 12 Contributed Equity and Reserves (continued)

b) Share Options

	2017		2016	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
On issue at beginning of financial year	8,486,130	$0.010	16,227,178	$0.110
Options issued during year -listed	44,992,049	$0.021	-	-
Options issued during year -unlisted	5,826,316	$0.000	2,544,600	$0.000
Options cancelled during year	(1,973,131)	$0.053	(8,758,912)	$0.200
Options exercised during year	(999,169)	$0.000	(1,526,736)	$0.000
On issue at end of financial year	56,332,195	$0.016	8,486,130	$0.010

At 30 June 2017 the Company had 44,992,049 listed 2.1 cent options on issue with an expiry date of 27 December 2019.

At 30 June 2017 the Company had 11,340,146 unlisted options on issue under the following terms and conditions:

Number under option	Expiry date	Issue price of shares
2,205,882	26 Nov 2017	(i)
2,913,158	7 March 2018	(iv)
2,035,647	21 Apr 2018	(ii)
1,272,300	7 June 2019	(iii)
2,913,158	7 March 2020	(v)

Options exercisable as at 30 June 2016	700,000
Options exercisable as at 30 June 2017	44,992,049

The weighted average remaining contractual life of options (listed and unlisted) outstanding at year-end was 2.25 years (2016: 1.48 years).

The weighted average fair value of unlisted options granted (excluding the zero strike priced performance options) during the year was nil, as no options other than zero strike priced performance options were issued (2016: nil).

Note 12 Contributed Equity and Reserves (continued)

The following option tranches have vesting conditions as follows:

(i)-2,205,882 zero strike priced options expiring on 26 November 2017 issued under the Employee Share Option Plan to the previous CEO and approved by shareholders in general meeting on 21 November 2014. These options were issued to the CEO in relation to the 2014 field season and only vest based on criteria linked to the commencement of resource drilling on a significant discovery or a change of shareholding control. The grant of these options is part of a long term incentive plan established for key personnel. The number of options granted was based on 50% of the annual cash remuneration cost and the weighted average share price for the three days immediately prior to grant.

(ii)-2,035,647 zero strike priced options expiring on 21 April 2018 issued under the amended Employee Share Option Plan approved by shareholders on 21 November 2014 in relation to the 2015 field season. These options were issued to key personnel and only vest based on criteria linked to the commencement of resource drilling on a significant discovery or a change of shareholding control. The grant of these options is part of a long term incentive plan established for key personnel. The number of options granted was based on 15% of the estimated annual cost for these personnel and the weighted average share price for the thirty days immediately prior to grant.

(iii)-1,272,300 zero strike priced options expiring on 7 June 2019 issued under the amended Employee Share Option Plan approved by shareholders on 21 November 2014 in relation to the 2016 field season. These options were issued to key personnel and only vest based on criteria linked to the commencement of resource drilling on a significant discovery or a change of shareholding control. The grant of these options is part of a long term incentive plan established for key personnel. The number of options granted was based on 15% of the estimated annual cost for these personnel and an assumed floor price of 4 cents per share.

(iv)-2,913,158 zero strike priced options expiring on 7 March 2018 issued under the amended Employee Share Option Plan approved by shareholders on 21 November 2014. These options were issued to key personnel and only vest based on criteria linked to key performance indicators associated with the individual’s role and responsibilities for the 2017 field season. The grant of these options is part of a short term incentive plan established for key personnel. The number of options granted was based on 15% of the estimated annual cost for these personnel.

(v)-2,913,158 zero strike priced options expiring on 7 March 2020 issued under the amended Employee Share Option Plan approved by shareholders on 21 November 2014 in relation to the 2017 field season. These options were issued to key personnel and only vest based on criteria linked to the commencement of resource drilling on a significant discovery or a change of shareholding control. The grant of these options is part of a long term incentive plan established for key personnel. The number of options granted was based on 15% of the estimated annual cost for these personnel.

Note 12 Contributed Equity and Reserves (continued)

c) Option Reserve

The option reserve records items recognised as expenses on valuation and issue of share options and reversals for options that expired without being exercised.

d) Director's Fee Plan

The Directors have adopted a Director's Fee Plan (Fee Plan) in lieu of taking remuneration payments in cash. The objective of this Plan is to conserve cash-flow for exploration related activities.

A Fee Plan has been in place since December 2013 on the basis of an annual 12 month approval by shareholders. The Fee Plan operates on a quarterly election basis where all or part of the remuneration entitlements for that quarter can be converted into shares at the weighted average share price for the last thirty days leading up to the end of the quarter.

Shareholders in general meeting on 18 November 2016 approved the 2017 Fee Plan for a period of 12 months.

In relation to the financial year ended 30 June 2017, 4,944,740 (2016: 5,031,731) fully paid ordinary shares were issued in lieu of directors' remuneration payments totalling $69,287 (2016: $100,364) as follows:

- 2,128,750 fully paid ordinary shares were issued under the 2017 Fee Plan for the December 2016 and March 2017 quarters; and
- Shareholders in general meeting provided retrospective approval for the issue of 2,815,990 ordinary fully paid shares were issued to directors for entitlements that exceeded the cap set for the 2016 Fee Plan relating to the March, June and September 2016 quarters.

Subsequent to 30 June 2017 a further 1,147,500 fully paid ordinary shares were issued for the June 2017 quarter.

To avoid excessive dilution of shareholders in times of a depressed share price, a four cent per share floor price was incorporated into Fee Plan elections with effect from June 2016. This has the effect of deferring a portion of Fee Plan elections until such time as the share price exceeds four cents per share. At 30 June 2017 the floor price mechanism has resulted in the deferral of $111,999 of Fee Plan elections which is recorded as a liability at that date.

Note 12 Contributed Equity and Reserves (continued)

e) Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide value for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group includes equity attributable to equity holders, comprising of contributed equity, reserves and accumulated losses. In order to maintain or adjust the capital structure, the Company may issue new shares, sell assets or adjust the level of activities undertaken by the Group.

The Group monitors capital on the basis of cash flow requirements for operational, and exploration and evaluation expenditure. The Group's exposure to borrowings as at 30 June 2017 totals $nil (2016: $nil). The Group will continue to use capital market raisings to satisfy anticipated funding requirements.

The Group's strategy to capital risk management is unchanged from prior years.

Note 13 Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable, and loans to and from subsidiaries.

The totals for each category of financial instruments, measured in accordance with AASB 139: *Financial Instruments: Recognition and Measurement* as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated Group	
		2017 $	2016 $
Financial assets			
Cash and cash equivalents	6	555,823	864,240
Trade and other receivables	7	256,866	263,864
Total financial assets		812,689	1,128,104
Financial liabilities			
Trade and other payables	10	236,085	225,054
Total financial liabilities		236,085	225,054

Financial Risk Management Policies

The Audit & Risk Committee has been delegated responsibility by the Board of Directors for, among other issues, monitoring and managing financial risk exposures of the Group.

Note 13 Financial Risk Management (continued)

The Group's overall risk management strategy seeks to meet its financial requirements, while minimising potential adverse effects on financial performance. It includes the review of the use of credit risk policies and future cash flow requirements.

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and interest rate risk. There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise or the Board's objectives, policies and processes for managing the risks from the previous period.

a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through ensuring, to the extent possible, that counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating, or in entities that the Group has otherwise cleared as being financially sound.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality.

Credit risk related to balances with banks and other financial institutions is managed by the Company in accordance with the policy of only investing surplus cash with major financial institutions. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

	Note	**Consolidated Group**	
		2017	**2016**
		$	**$**
Cash and cash equivalents:			
– AA- rated	6	555,823	864,240

Note 13 Financial Risk Management (continued)

b) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group considers liquidity risk as significant as the Company is currently seeking further cash injections in order to progress exploration and R&D activities and in this regard to ensure that it has sufficient cash funding to meet its obligations as they fall due. This risk is managed by regular review of future period cash flows and operational activity budgets and maintaining sound relationships with shareholders and potential investors

c) Market risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The Company's exposure to interest rate risk is summarised in the table below:

		Fixed Interest maturing in:				
	Floating Interest Rate	1 year or less	Over 1 year, less than 5	Non-Interest bearing	Total	Weighted Average Interest rate
2016						
Financial assets						
Cash at bank	-	-	-	24,540	24,540	-
Cash at bank	189,700	-	-	-	189,700	0.5%
Term Deposits	-	650,000	-	-	650,000	1.9%
Receivables	-	-	-	263,864	263,864	-
Financial Liabilities						
Trade Creditors and accruals	-	-	-	(225,054)	(225,054)	-
2017						
Financial assets						
Cash at bank	-	-	-	25,754	25,754	-
Cash at bank	176,767	-	-	-	176,767	0.5%
Term Deposits	-	353,302	-	-	353,302	1.5%
Receivables	-	-	-	256,866	256,866	-
Financial Liabilities						
Trade Creditors and accruals	-	-	-	(236,085)	(236,085)	-

Note 13 Financial Risk Management (continued)

c) Market risk (continued)

Sensitivity analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how the Company's (loss) /profit reported at the end of the reporting period would have been affected by interest rate movements that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Carrying Value $	+1 % interest rate $	-1 % interest rate $
2016			
Interest bearing cash	839,700	8,397	8,397
2017			
Interest bearing cash	530,069	5,301	5,301

Net Fair Values of financial assets and liabilities

The carrying amounts of all financial assets and financial liabilities approximate their net fair values.

Note 14 Auditor's Remuneration

During the year the following fees were paid or payable for services provided by the auditor, its related practices and non-related audit firms:

	Consolidated Group	
	2017 $	**2016** $
Remuneration of the auditor of the parent entity for:		
– auditing or reviewing the financial statements	30,250	29,500
	30,250	29,500

Note 15 Contingencies

To the best knowledge of the board the Group had no material contingent liabilities at year end.

Note 16 Controlled Entities

a) Subsidiaries of Alligator Energy Limited

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy disclosed in note 1 (a). Unless otherwise stated, they have issued share capital consisting solely of ordinary shares held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Country of Incorporation	Percentage Owned (%)*	
		2017	2016
TCC Project Pty Ltd	Australia	100%	100%
Northern Prospector Pty Ltd	Australia	100%	100%
BT Project Pty Ltd	Australia	100%	100%

* *Percentage of voting power is in proportion to ownership*

b) Acquisition of Controlled Entities

There were no acquisitions during the year ended 30 June 2017.

Note 17 Cash Flow Information

		Consolidated Group 2017 $	Consolidated Group 2016 $
Reconciliation of Cash Flow from Operations with Loss after Income Tax			
Loss after income tax		(2,078,899)	(9,688,033)
R&D Offset & Grants capitalised		260,099	604,574
Non-cash flows in loss:			
–	depreciation	12,653	12,232
–	share based payment expenses (incl Director Fee Plan share issues)	111,522	149,285
–	Impairment write off/provision	1,249,624	8,668,595
–	Other	(3,089)	12,375
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:			
–	(increase)/decrease in trade and term receivables	1,505	17,694
–	increase/(decrease) in trade payables and accruals	91,068	24,627
–	increase/(decrease) in provisions	(7,451)	527
Cash flow from operations		(362,968)	(198,124)

Note 18 Key Management Personnel disclosures

Key management personnel compensation

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each of member of the Group's key management personnel (KMP) for the year ended 30 June 2017.

	2017 $	2016 $
Short-term employee benefits	282,311	402,464
Post-employment benefits	34,708	43,543
Share-based payments	199,278	166,037
	516,297	612,044

Short-term employee benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

Post-employment benefits

These amounts are the current-year's estimated cost of providing for the Group's superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

Share-based payments

These amounts represent the expense related to the participation of KMP in equity-settled benefit schemes (including the Director Fee Plan) as measured by the fair value of the options, rights and shares granted on grant date.

Further information in relation to KMP remuneration can be found in the Directors' Report.

Note 19 Share based payments

Granted during the year

On 7 March 2017, 5,826,316 zero strike priced options were issued to four employees or contractors under the Company's Employee Share Option Plan. The zero strike priced options have performance related criteria as set out in Note 12 (b) and have expiry dates of 7 March 2018 (2,913,158 Short Term Incentive options) and 7 March 2020 (2,913,158 Long Term Incentive options).

Options granted to key management personnel during the last two financial years are as follows:

	Grant Date		*Number*
2016	7 June 2016	(a)	1,680,600
2017	7 March 2017	(a)	3,631,578

(a) The options issued will only vest if certain performance criteria are met. Further details of these options are provided in the Directors' Report, and note 12 (b). The options hold no voting or dividend rights, have not been listed and are not transferable

A summary of the movements of all options is shown in Note 12(b).

Share issues in lieu of Non- Executive Director Fees

Shares granted or issued to key management personnel as share-based payments (in lieu of cash payments for directors' fees under the Director's Fee Plan) are set out for both 2016 and 2017 in Note 12 (a). Included under employee benefits expense in the Consolidated Statement of Profit or Loss is $69,287 which relates to equity settled share based payments transactions (2016: $100,364).

Note 20 Income tax

	Consolidated 2017 $	Consolidated 2016 $
(a) Numerical reconciliation of income tax expense / (income) to prima facie tax payable:		
Total profit/(loss) before income tax	(2,078,899)	(9,688,033)
Tax at the Australian tax rate of 27.5% (2016 – 28.5%)	(571,697)	(2,761,089)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share-based payments	60,750	13,942
Other	21,850	17,817
	(489,097)	(2,729,330)
Net adjustment to deferred tax assets and liabilities for tax losses and temporary differences not recognised	(489,097)	(2,729,330)
Income tax (benefit) expense	-	-
(b) The components of income tax expense		
Current tax	-	-
Deferred tax	-	-
Adjustments for current tax of prior periods		
	-	-
(c) Deferred Tax Liabilities		
The balance comprises temporary differences attributable to:		
Exploration expenditure	2,931,715	3,252,963
Other	4,368	48
Total	2,936,083	3,253,011
Set-off of deferred tax liabilities pursuant to set-off provisions	(2,936,083)	(3,253,011)
Net deferred tax liabilities	-	-

Note 20 Income tax (continued)

	Consolidated 2017 $	Consolidated 2016 $
(d) Deferred tax assets:		
The balance comprises temporary differences attributable to:		
Tax losses	5,397,028	6,202,790
Accruals and provisions	15,081	25,176
Business capital costs	113,843	67,272
Total deferred tax assets	5,525,952	6,295,238
Set-off of deferred tax assets pursuant to set-off provisions	(2,936,083)	(3,253,011)
Net adjustment to deferred tax assets for tax losses not recognised	(2,589,869)	(3,042,227)
Net deferred tax assets	-	-
(e) Tax losses:		
Unused tax losses for which no deferred tax asset has been recognised	9,417,706	10,674,481
	9,417,706	10,674,481
Potential tax effect at 27.5% (2016: 28.5%)	2,589,869	3,042,227

Unused losses which have not been recognised as an asset, will only be obtained if:
(i) the economic entity derives future assessable income of a nature and of an amount sufficient to enable the losses to be realised;
(ii) the economic entity continues to comply with the conditions for deductibility imposed by the law; and
(iii) no changes in tax legislation adversely affect the economic entity in realising the losses.

The unused tax losses will be reduced by any amounts that are included in the Group's research and development offset claim for the 2017 tax year.

The Company has registered for participation in the Exploration Development Incentive introduced for both the 2015 and 2016 tax years. This Scheme allows the Group to distribute a portion of the greenfield exploration expenditure incurred and deductible under the Income Tax Act (and included in unused tax losses carried forward in (e) above) to Australian resident shareholders as a credit to offset against personal income tax (individuals) or as a franking credit (companies). The exploration credits distributed on 26 June 2017 in relation to greenfield exploration expenditure incurred in the 2016 tax year totalled $642,676 (28.5% tax rate) (2016: $667,650 (30% tax rate)). This distribution reduces the carried forward tax losses by an equivalent amount. The Company plans to once again register for the Scheme in relation to the 2017 tax year being the final year for the scheme.

Note 20 Income tax (continued)

(f) Tax consolidation legislation

Alligator Energy Limited and its wholly-owned Australian subsidiaries have implemented the income tax consolidation legislation from 1 July 2010. Alligator Energy Limited is the head entity of the tax consolidated group for the year ended 30 June 2017. The Australian Taxation Office has been notified of the formation of the Alligator Energy Limited tax consolidated group.

Each entity in the Group recognises its own current and deferred tax assets and liabilities, except for any amounts resulting from unused tax losses and tax credits, which are immediately assumed by the parent entity. The current tax liability of each Group entity is then assumed by the parent entity.

The tax consolidated group has entered into tax sharing and funding arrangements. Under the terms of these agreements, the wholly-owned entities reimburse the head company for any current income tax payable by the head company arising in respect of their activities. The reimbursements are payable at the same time as the associated income tax liability falls due and therefore amounts receivable or payable under an accounting tax sharing agreement with the tax consolidated entities are recognised separately as tax-related amounts receivable or payable. In the opinion of the Directors, the tax sharing agreement is also a valid arrangement under the tax consolidated legislation and limits the joint and several liability of the wholly-owned entities in the case of a default by Alligator Energy Limited. Expenses and revenues arising under the tax sharing agreement are recorded as a component of income tax expense.

(g) Exploration Development Incentive Scheme

On 9 December 2016, Alligator advised 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 2016 exploration expenditure was deemed eligible to participate in the Scheme.

Exploration credits are distributed to shareholders with equity interests in the company based on the number of shares they held as a proportion of the total equity interest of the company at the Record Date.

Eligible Exploration Development Incentive expenditure incurred during the 2016 income tax year, as set out in the tax return, amounted to $2,255,002. On 28 April 2017, the Board approved the distribution of $642,676 (at the 28.5% corporate tax rate) in exploration credits to shareholders with a Record Date of 26 May 2017. The credit amounts to $1,413 per one million shares.

The distribution of these credits has reduced the Group’s carried forward tax losses at 30 June 2017 by a similar amount.

Note 21 Commitments

Exploration commitments

So as to maintain current rights to tenure of various exploration and mining tenements, the Company will be required to outlay amounts in respect of tenement rent to the relevant governing authorities and to meet certain annual exploration expenditure commitments. These outlays (exploration expenditure and rent), which arise in relation to granted tenements, inclusive of tenement applications granted subsequent to 30 June 2017, are as follows:

	2017 $	2016 $
Exploration expenditure commitments payable:		
- within one year	291,496	586,012
- later than one year but not later than five years	-	378,130
- later than five years	-	-
	291,496	964,142
Royalties	27,300	46,465

Minimum expenditure covenants under the Department of Primary Industries and Resources Guidelines must be based on realistic and practical work programs and proposed expenditure levels. These covenants may be varied from time to time, subject to approval of the relevant government departments, and may be relieved if a tenement is relinquished. The exploration expenditure commitments set out above include expenditure covenants submitted for the 2017/18 financial year totalling $245,000 (2016/17: $550,000).

Cash security bonds totalling $193,405 (2016: $209,113) were held by the relevant governing authorities at 30 June 2017 to ensure compliance with granted tenement conditions.

The Group has lodged a cash backed bank guarantee of $20,400 (as a security bond) with the Northern Land Council in relation to its interest in the Beatrice Project.

Beatrice Farm-in and Joint Venture

On 19 December 2014, Alligator signed an exploration agreement (Farm-in and Joint Venture) with Cameco Australia Pty Ltd (Cameco) to earn an interest in ELs24291 and 26796 and ELAs 26793, 26794, 26795 (collectively the Beatrice Project) which are located south of the Tin Camp Creek Project area in the Alligator Rivers Province.

Note 21 Commitments (continued)

At 31 December 2015, the Group had met its Stage 1 and Stage 2 expenditure commitments and consequently earned a registered interest of 51% in the Project tenements. A Joint Venture was formed with effect from 1 January 2016 with voting rights in the same proportion as the interest in the underlying tenements.

Cameco elected not to fund its pro-rata share of the 2016 Work Program and Budget and consequently their interest was diluted by 4.31% to 44.69%. Cameco is in the process of arranging for transfer of this addition interest in the underlying tenements.

Cameco has also elected not fund its pro-rata share of the 2017 Work Program and Budget and at 30 June 2017 it is estimated that the Group has earned a further 1.78% interest in the Joint Venture tenements.

Operating lease commitments

Non-cancellable operating lease rentals are as follows:

	2017	**2016**
	$	**$**
Within one year	47,076	39,483
Later than one year but not later than five years	86,768	-
Later than five years	-	-
	133,844	39,483

In March 2017 the Company entered into a three year lease on an office in Fortitude Valley, Brisbane with a 4% annual increment.

Note 22 Events occurring after the balance sheet date

Formation of the Altor Energy Pty Ltd 50:50 Joint Venture

Subsequent to year end, on 19 July 2017, Alligator advised that it had entered a 50:50 incorporated Joint Venture (JV) company with the private exploration group Torch Energy Pty Ltd (Torch). The new company, named Altor Energy Pty Ltd (Altor), has been established to pursue advanced stage uranium project opportunities, and, by mutual agreement, other energy related minerals project opportunities in politically and economically stable jurisdictions. All existing exploration mineral title, mineral title applications, prospects, rights and assets of the two companies are specifically excluded from the JV and remain the property of the individual company.

Torch was founded by experienced uranium exploration geologist Andrew Browne, and includes fellow board directors Bill Haylock and Greg Hall (Greg is also a non-executive director of Alligator). Torch holds exploration tenements in the ARUP region also, and has been evaluating potential advanced stage uranium projects globally. Andrew has 47 years global uranium experience, was team leader during exploration at the Ranger area, and more recently led the team that discovered the greater than 300 million pound Arrow uranium deposit in the Athabasca Basin owned by NexGen Energy Ltd.

The greatest strengths of Altor are its world class team of uranium project explorers, evaluators and operators together with its vast knowledge of, operational experience in and outstanding success in three of the five major global uranium provinces in the world.

Altor has a wide range of contacts in the uranium and mining industries to support its activities. It will have access to the exploration team and assets of AGE to quickly access and assess advanced uranium projects.

Share Placement

On 16 August 2017, Alligator finalised a placement of 30,000,000 shares at $0.01 per share to raise a total of $300,000 before raising costs. The placement was made available to exempt or sophisticated investors under the requirements of S708 (8) – (10) inclusive and therefore did not require a disclosure document. The capital raised will provide Alligator with additional working capital to finalise the 2017 field program and to continue to actively pursue advanced stage uranium project opportunities. The shares rank equally in all respects with Alligator's existing ordinary fully-paid shares.

No matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect:

a) The Group's operations in future financial years, or
b) The results of those operations in future financial years, or
c) The Group's state of affairs in future financial years.

Note 23 Related party transactions

a) The Group's main related parties are as follows:

i) Parent entity

The parent entity within the Group is Alligator Energy Limited.

ii) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, are considered key management personnel. For details of disclosures relating to key management personnel, refer to Note 18: Key Management Personnel.

b) Transactions with related parties:

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. During the year there were no such transactions (2016: nil).

Note 24 Parent entity financial information

a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2017 $	2016 $
Balance Sheet		
Current assets	590,118	885,438
Total assets	12,642,603	13,725,191
Current liabilities	236,084	355,995
Total liabilities	405,653	355,995
Issued capital	28,747,028	27,864,177
Option reserve	48,749	50,783
Accumulated losses	(16,558,827)	(14,545,764)
Total equity	12,236,950	13,369,196
Loss for the year	(2,046,645)	(9,673,644)
Total comprehensive income for the year	(2,046,645)	(9,673,644)

b) Guarantees entered into by the parent entity

The Parent Entity has provided no financial guarantees.

c) Contingent liabilities of the parent entity

The Parent Entity did not have any contingent liabilities as at 30 June 2017 (30 June 2016: Nil).

d) Contractual commitments for the acquisition of property, plant or equipment
The Parent Entity had contractual commitments as at 30 June 2017 to acquire field related equipment totalling $nil (2016: $nil).

Note 25 Company Details

The registered office and principal place of business of the Company as at 30 June 2017 was:

Suite 3, 36 Agnes St
Fortitude Valley
Brisbane QLD 4006

Phone (07) 3852-4712

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Alligator Energy Limited, in the opinion of the directors of the Company:

1. the financial statements and notes, as set out on pages 22 to 58, are in accordance with the *Corporations Act 2001*, including:

   a. complying with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS) and the *Corporations Regulations 2001*; and

   b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the year ended on that date; and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

John V. Main

John Main
Chairman
Brisbane, 27 September 2017

CORPORATE GOVERNANCE STATEMENT

The ASX Corporate Governance Council Principles and Recommendations (3rd Edition) Statement for the 30 June 2017 financial year will be lodged on the Company's website at www.alligatorenergy.com.au at the time of issuing the Annual Report.

COMPETENT PERSON'S STATEMENT

Information in the directors' report included in this Financial 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 employed by the Company as the Exploration Manager, 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALLIGATOR ENERGY LIMITED

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Alligator Energy Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company and the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

In our opinion, the financial report of Alligator Energy Limited is in accordance with the *Corporations Act 2001*, including:

a) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the year ended on that date; and

b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Going Concern

Without modifying our opinion expressed above, we draw attention to Note 1 of the financial report which indicates that the consolidated entity incurred a loss before tax of $2,078,899, and recorded net cash outflows of $308,417 for the financial year ended 30 June 2017. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt as to whether the consolidated entity will be able to continue normal business operations and therefore whether the consolidated entity will realise its assets and extinguish its liabilities in the normal course of business and at the amounts recorded in the financial report.

Independence

We are independent of the consolidated entity in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Key Audit Matter

A key audit matter is a matter that, in our professional judgement, was of most significance in our audit of the financial report of the current period. This matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. For the matter below, our description of how our audit addressed the matter is provided in that context.

1. Capitalised Exploration and Evaluation Expenditure

Why significant	How our audit addressed the key audit matter
Capitalised Exploration and Evaluation of $11,660,782 in the Statement of Financial Position comprised 93% of total assets as at 30 June 2017. Note 2 outlines that the determination of the carrying value of the capitalised exploration and evaluation expenditure requires significant judgement by management in performing an assessment whether there are any indicators of impairment. The assessment of impairment of exploration and evaluation expenditure can be inherently difficult, particularly in uncertain or depressed market conditions such as those currently being experienced in Australian uranium exploration.	We considered the consolidated entity's assessment as to whether there were indicators to require the mineral exploration and evaluation asset to be tested for impairment as at 30 June 2017 and assessed the appropriateness of the resulting impairment write-down. In doing so we: • considered the consolidated entity's right to explore which included obtaining and assessing supporting documentation such as licence agreements and correspondence with relevant government agencies; • tested the consolidated entity's additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated entity's accounting policy and the requirements of AASB 6; and • considered the activities in each area of interest to date, and assessed the consolidated entity's planned future activities for each area of interest by evaluating related work programmes and budgets.

Other Information

Other information is financial and non-financial information in the annual report of the consolidated entity which is provided in addition to the Financial Report and the Auditor's Report. The directors are responsible for Other Information in the annual report.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report. The remaining Other Information is expected to be made available to us after the date of the Auditor's Report.
Our opinion on the Financial Report does not cover the Other Information and, accordingly, the auditor does not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information in the Financial Report and based on the work we have performed on the Other Information that we obtained prior the date of this Auditor's Report we have nothing to report.

Directors' Responsibilities for the Financial Report

The Directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using a going concern basis of accounting unless the Directors either intend to liquidate the consolidated entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the consolidated entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the consolidated entity to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2017. In our opinion, the Remuneration Report of Alligator Energy Limited for the year ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

PKF HACKETTS

PKF HACKETTS AUDIT

LIAM MURPHY
PARTNER

27 SEPTEMBER 2017
BRISBANE