ALLIGATOR ENERGY LIMITED

ACN 140 575 604

31 December 2017
HALF YEAR FINANCIAL REPORT

ALLIGATOR ENERGY LIMITED
ACN 140 575 604

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The information in this report should be read in conjunction with the Annual Report for the year ended 30 June 2017 which is available from the Alligator Energy Limited website: www.alligatorenergy.com.au

ALLIGATOR ENERGY LIMITED
ACN 140 575 604

DIRECTORS' REPORT

The Directors of Alligator Energy Limited (the 'company', 'Alligator') and its controlled entities (the 'Group') present their report, together with the financial statements of the Group, for the half-year ended 31 December 2017.

Directors

The following persons were Directors of Alligator Energy Limited ('**Alligator**') during the half-year and up to the date of this report, unless stated otherwise:

John Main	Executive Chairman
Paul Dickson	Non-Executive Director
Andrew Vigar	Non-Executive Director
Peter McIntyre	Non-Executive Director
Gregory Hall	Non-Executive Director

Principal activities

The principal activity of the Group is mineral exploration. There has been no significant change in the nature of the Group's activities during the half year.

Alligator continues to maintain its uranium projects in the Alligator Rivers Uranium Province in good standing and retains two drill ready defined targets at TCC4 and BC12 for future exploitation.

Alligator believes the uranium market has bottomed with global nuclear generation now back above its level at the time of the 2011 Japanese tsunami, combined with recent major production cutbacks from the world's two largest producers, boding well for its longer term strategy in the metal.

Subsequent to the end of the half year the Company announced expansion its mineral exploration strategy to include cobalt-nickel.

Dividends

There were no dividends paid to shareholders during the financial period.

Review of operations

(i) Exploration and R&D activities

Alligator Rivers Province – TCC and Beatrice Projects
The Myra Camp was re-opened in early July 2017 to facilitate a small helicopter-supported field sampling program across two greenfield targets on the Beatrice Project tenements. The current field season activities represented Alligator's seventh consecutive annual exploration program within Arnhem Land.

Regional sampling of cover sandstone was conducted at exploration targets BT5 and BT7. A total of 262 whole rock samples were collected. Analytical results highlighted two separate pathfinder anomalies at BT7 which merit follow up work.

Review of operations (continued)

An end of field season close out of the Myra Camp facilities and access tracks occurred in early November 2017 in conjunction with NLC and local community consultation meetings for several EL applications, including the recent Nabarlek North tenement application.

No work was conducted on the TCC Project tenements during the half year.

Target TCC4 on the TCC Project area remains Alligator's outstanding uranium target, and subject to funding, is drill ready.

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

(ii) **Exploration Development Incentive**

Alligator has been advised by the Australian Taxation Office (ATO) that its application to participate in the EDI has been accepted with a modulation factor of 1.00.

One hundred per cent of the company's 2017 exploration expenditure has been deemed eligible to participate in the Exploration Development Incentive scheme.

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

The Board of Alligator expects to be able to distribute approximately $185,000 (at the 28.5% tax rate) in exploration credits to shareholders prior to 30 June 2018.

(iii) **Financial**

The loss for the consolidated group for the half-year was $394,906 (half-year to 31 December 2016: $590,184 loss). This loss includes expenditure of $42,069 in relation to the New Opportunities strategy announced to the market in November 2016. Subsequent to the half year end this initiative has led to the announcement of two *cobalt-nickel* project investments. In the prior half year period the Company recognised an impairment loss of $190,536 in relation to the relinquishment of the Beatrice East tenement and the application costs for the Arrara exploration licence which was not granted.

The Company has retained a close focus on corporate overheads and cashflow during the half-year. This is evidenced through the reduction in cash outflows to suppliers and employees from $317,979 for the 2016 half-year to $263,657 for the similar period in 2017. In this regard the operation of the Director Fee Plan has once again assisted in conserving cash for exploration, evaluation and R&D activities (see (iv) below for more detail). The reduction in consulting fees relates principally to legal advice associated with exploration licence applications and title transfers.

Review of operations (continued)

Expenditure on fieldwork and exploration activities during the half year totalled $319,527 (2016 half-year: $416,466) and related principally to a sampling program at the Beatrice Project including the geochemical technique being developed in relation to radiogenic isotopes.

(iv) **Director Fee Plan**

Shareholder approval was obtained at the 2017 AGM for a Director Fee Plan for non-executive directors. The Plan allows for fully paid ordinary shares in the Company to be issued in lieu of cash remuneration for the provision of director services. Approval was also obtained from Shareholders to issue shares to non-executive directors in lieu of outstanding director fees at the date of the AGM.

The Directors believe that the benefit of the Director Fee Plan to Shareholders is the conservation of cash for use towards exploration activities, as well as aligning their interest with those of the Company and the Shareholders.

On 13 October 2017 and 12 January 2018 the Company issued fully paid ordinary shares to Directors (or their nominees) totalling 1,210,000 and 1,210,000 respectively under the terms of the Director Fee Plans approved by Shareholders. The share issue related to accrued fees for the September and December 2017 quarters.

Matters subsequent to the end of the half year

On ***12 January 2018***, the Company issued 1,210,000 ordinary shares to the directors or their nominees under the terms of the Director Fee Plan approved by shareholders on 17 November 2017. This share issue related to $13,310 in directors' fees for the December 2017 quarter.

On ***1 February 2018***, the Company announced that it was expanding its exploration and development strategy to include cobalt-nickel projects through investment or acquisition in two projects as follows:

- Alligator signed a binding Heads of Agreement with Chris Reindler and Partners (CRP) to earn up to 70% interest in the *Piedmont* sulphide cobalt – nickel project in Northern Italy.
- The Company has agreed to invest $200,000 to acquire shares in the seed capital being raised by Cobold Metals Limited which is acquiring Eastern Prospector P/L. Eastern Prospector P/L is acquiring 100% of the Young lateritic cobalt - nickel project in NSW. Cobold Metals Limited intends to list on the ASX through an IPO during 2018.

The principal terms of the *Piedmont Heads of Agreement* are:

- Alligator to pay CRP $45,000 worth of Alligator shares to be held in escrow for at least six months (50%) and twelve months (50%) upon signing the agreement;
- Alligator commits to solely fund and manage a minimum of $250,000 of exploration within six months of gaining on-ground access to the area covered by the titles. This work will include:
  a. ground EM and magnetic surveys to locate/confirm the features identified in the airborne geophysical surveys and to confirm/define drill targets on them
  b. geochemical sampling of soils from ridges, spurs and areas of EM/magnetic anomalism and from streams to locate other mineralised areas
  c. assessing all old workings and prospecting around them to ascertain their style of mineralisation and potential;

Matters subsequent to the end of the half year (continued)

- At the completion of this work program Alligator can elect to withdraw with no interest retained or to earn a 51% interest in the titles by paying CRP $45,000 cash and solely funding and managing a further $400,000 program of work which will include drill testing of the best targets. Alligator can withdraw from this work program at any time, and while the work is targeted for completion within 12 months, this can be extended by mutual agreement. If Alligator does not complete this work it will have earned no interest and will have no further rights in the mineral titles;
- Upon Alligator earning a 51% interest in the titles, a Joint Venture (JV) will be formed but Alligator has the right to earn a further 19% interest (70% total) by solely funding, managing and completing a further $1.25M program of work;
- Upon Alligator ceasing sole funding, the partners to the JV will contribute in proportion to their interest in the JV or dilute. If a partner's interest falls below 10% it will be converted to a 1% NSR;
- The partner with the largest interest will be the manager of the JV with voting in proportion to interest in the JV; and
- If a partner wishes to divest part or all of its interest in the JV, it must first offer that interest to the remaining partners.

The agreement is conditional on Alligator having access to sufficient funding to cover its planned expenditure.

On ***2 February 2018***, Alligator issued 3,515,625 fully paid ordinary shares to Chris Reindler in settlement of the $45,000 that was due on executing the *Piedmont Heads of Agreement*.

On ***2 February 2018***, Alligator issued 2,322,237 fully paid ordinary shares to employees and contractors under the 2017 Short Term Incentive (STI) Plan. This issue occurred after the Board had conducted a performance assessment against KPIs agreed with each employee or contractor. As a result of the performance assessment process, 590,921STI options issued on 7 March 2017 did not vest and have now lapsed.

On ***5 March 2018***, the Company announced that it had placed 77,000,000 ordinary shares and 38,500,000 2.1cent listed options (with an expiry date of 27 December 2019) with sophisticated investors to raise a gross amount before issue costs of $693,000. The funds raised are planned to be used to ensure the highly prospective uranium targets and tenements in the Alligator Rivers region are maintained and ready for future drill testing, as well as continuing to advance applications and acquire further land opportunities; ground testing of its Nickel Cobalt Piedmont project in northern Italy with a view to early drilling; investment into the Cobold Nickel Cobalt project in NSW and working capital.

No other matter or circumstance has arisen since 31 December 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.

ALLIGATOR ENERGY LIMITED
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DIRECTORS' REPORT

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 8.

This report is made in accordance with a resolution of Directors.



John Main
Executive Chairman

Brisbane, 7 March 2018

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 half-year ended 31 December 2017, there have been:

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

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

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

PKF HACKETTS

PKF HACKETTS AUDIT

LIAM MURPHY
PARTNER

BRISBANE
DATE: 7 MARCH 2018

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ALLIGATOR ENERGY LIMITED
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Note	31 December 2017 $	31 December 2016 $
Other income – interest		2,799	3,486
Accounting and audit fees		(11,440)	(17,700)
Consultants and professional fees		(2,625)	(59,137)
Directors' fees		(121,545)	(121,545)
Employee benefits expense		(74,044)	(70,668)
Share-based payments		(25,712)	(15,799)
Depreciation		(4,478)	(8,075)
Occupancy expenses		(30,135)	(31,959)
Stock exchange and share registry fees		(38,236)	(29,652)
Interest expense		(2,697)	-
Travel and accommodation expenses		(1,780)	(2,072)
Insurance		(33,426)	(24,531)
Business development – new opportunities		(42,069)	-
Impairment of E&E costs	5	-	(190,536)
Other expenses		(9,518)	(21,996)
Loss before income tax		(394,906)	(590,184)
Income tax benefit		-	-
Profit /(loss) for the period		**(394,906)**	**(590,184)**
Other comprehensive income		-	-
Total comprehensive income/(loss) for the period		**(394,906)**	**(590,184)**
Profit/(loss) attributable to members of the parent entity		**(394,906)**	**(590,184)**
Total comprehensive income/(loss) attributable to members of the parent entity		**(394,906)**	**(590,184)**
Earnings per share for loss from continuing operations attributable to the ordinary equity holders of the company		**Cents**	**Cents**
Basic profit/(loss) per share		(0.08)	(0.16)
Diluted profit/(loss) per share		(0.08)	(0.16)

The accompanying notes form part of these financial statements.

ALLIGATOR ENERGY LIMITED
ACN 140 575 604

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	31 December 2017 $	30 June 2017 $
ASSETS			
Current Assets			
Cash and cash equivalents		295,325	555,823
Trade and other receivables		10,665	18,412
Inventory		17,439	15,883
Total Current Assets		**323,429**	**590,118**
Non-Current Assets			
Trade and other receivables		218,214	238,454
Property, plant and equipment		63,227	103,856
Exploration expenditure	5	11,980,309	11,660,782
Total Non-Current Assets		**12,261,750**	**12,003,092**
Total Assets		**12,585,179**	**12,593,210**
LIABILITIES			
Current Liabilities			
Trade and other payables		293,721	236,085
Total Current Liabilities		**293,721**	**236,085**
Non-Current Liabilities			
Provisions		169,569	169,569
Total Non-Current Liabilities		**169,569**	**169,569**
Total Liabilities		**463,290**	**405,654**
Net Assets		**12,121,889**	**12,187,556**
EQUITY			
Contributed equity	6	29,050,555	28,747,028
Reserves		55,711	48,749
Accumulated losses		(16,984,377)	(16,608,221)
Total Equity		**12,121,889**	**12,187,556**

The accompanying notes form part of these financial statements.

ALLIGATOR ENERGY LIMITED
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Contributed equity $	Options Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2016	27,864,177	50,783	(14,562,904)	13,352,056
Total comprehensive income/(loss) for the period	-	-	(590,184)	(590,184)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	-	-	-	-
Share options – value of expense	-	15,799	-	15,799
Options lapsed	-	-	-	-
Issue of ordinary shares	938,273	-	-	938,273
Capital raising costs	(102,488)	-	-	(102,488)
Balance at 31 December 2016	28,699,962	66,582	(15,153,088)	13,613,456
Balance at 1 July 2017	28,747,028	48,749	(16,608,221)	12,187,556
Total comprehensive income/(loss) for the period	-	-	(394,906)	(394,906)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	-	-	-	-
Share options – value of expense		25,712	-	25,712
Options lapsed	-	(18,750)	18,750	-
Issue of ordinary shares	325,931	-	-	325,931
Capital raising costs	(22,404)	-	-	(22,404)
Balance at 31 December 2017	**29,050,555**	**55,711**	**(16,984,377)**	**12,121,889**

The accompanying notes form part of these financial statements.

ALLIGATOR ENERGY LIMITED
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	31 December 2017 $	31 December 2016 $
Cash flows from operating activities		
Interest received	2,800	3,656
Payments to suppliers and employees	(263,657)	(317,979)
Net cash inflow(outflow) from operating activities	(260,857)	(314,323)
Cash flows from investing activities		
Payments for exploration expenditure	(297,476)	(465,271)
(Payments for)/Refunds of security deposits	20,240	(4,693)
Net cash inflow(outflow) from investing activities	(277,236)	(469,964)
Cash flows from financing activities		
Proceeds on issue of shares	300,000	899,839
Payment of capital raising costs	(22,405)	(89,346)
Net cash inflow(outflow) from financing activities	277,595	810,493
Net increase (decrease) in cash held	(260,498)	26,206
Cash at beginning of financial period	555,823	864,240
Cash at the end of financial period	295,325	890,446

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

Note 1 Summary of significant accounting policies

Basis of preparation of half-year financial statements

These consolidated interim financial statements and notes represent those of Alligator Energy Limited (the Company) and Controlled Entities (the Group). Alligator Energy Limited is a publicly listed company incorporated and domiciled in Australia.

These general purpose interim financial statements for the half-year reporting period ended 31 December 2017 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134*: Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. The financial statements are presented in Australian dollars.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Group. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2017, together with any public announcements made during the half-year. These interim financial statements were authorised for issue on 7 March 2018.

Accounting Policies

The same accounting policies and methods of computation have been followed in this half-year financial report as were applied in the most recent annual financial statements, except in relation to the matter discussed below.

New and revised accounting requirements applicable to the current half-year reporting period

The Group has adopted all of the new and revised Standards and Interpretations that are relevant to its operations and effective for the current half year. Adoption has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior half-years**.**

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 six months ended 31 December 2017, the Group made a loss before tax of $394,906 (2016:$ 590,184). Cash outflows from operating and exploration-related investing activities during the same period were $ 538,093 (2016: $784,287).The Group's ability to continue on a going concern basis is therefore dependent upon its ability to raise additional capital through existing shareholders or new strategic investors. The Directors are confident of being able to secure additional funding and believe the consolidated entity is a going concern and will be able to pay its debts as and when they fall due and payable. The recently announced share placement to sophisticated investors provides support for this position (see Note 8).

Note 1 Summary of significant accounting policies (continued)

Going Concern (continued)

These financial statements do not give effect to any adjustments which could be necessary should the company be unable to continue as a going concern and therefore be required to realise its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements. Given the past losses, the difficulty in forecasting future cash flows for the group and the other matters described above, there exists a material uncertainty that the consolidated entity will achieve the above and 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 report.

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

The Group has capitalised exploration expenditure of $11,980,309 (30 June 2017: $11,660,782). This amount includes costs directly associated with exploration and the purchase of interests in exploration titles. 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, rentals, camp costs and payments to contractors for services such as drilling and geotech surveys. 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 report.

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 Mines and Energy in the Northern Territory.

Note 3 Segment information

During the period the Group operated solely within one business segment, being the mining and exploration industry in Australia.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

Note 4 Dividend

No dividend has been paid during the half-year ended 31 December 2017 and none is proposed.

Note 5 Exploration expenditure

	31 Dec 2017 (6 months) $	30 June 2017 (12 months) $
Exploration phase property costs		
Geological, geophysical, drilling and other expenditure – at cost	11,980,309	11,660,782
The capitalised exploration expenditure carried forward has been determined as follows:		
Opening balance – 1 July	11,660,782	12,413,907
Expenditure incurred or tenements acquired during the period	319,527	756,598
R&D Tax Offset	-	(260,099)
Impairment write down	-	(249,624)
Impairment provision- EL applications	-	(1,000,000)
	11,980,309	11,660,782

The Group assesses whether there are indicators that assets, or group of assets, may be impaired at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

Note 6 Equity securities issued

Issues of ordinary share capital during the half year:

Date	Details	Number of shares	Issue Price $	$
1 July 2017	Balance	**455,864,044**		**28,747,028**
25 Jul 2017	Director Fee Plan	1,147,500	0.011	12,623
18 Aug 2017	Placement	30,000,000	0.01	300,000
	Capital raising costs	-	-	(22,406)
13 Oct 2017	Director Fee Plan	1,210,000	0.011	13,310
31 Dec 2017	Balance	**488,221,544**		**29,050,555**

Note 7 Contingent liabilities

There have been no changes in contingent liabilities since the end of the previous annual reporting period, 30 June 2017.

Note 8 Events occurring after the end of the interim period

On ***12 January 2018***, the Company issued 1,210,000 ordinary shares to the directors or their nominees under the terms of the Director Fee Plan approved by shareholders on 17 November 2017. This share issue related to $13,310 in directors' fees for the December 2017 quarter.

On ***1 February 2018***, the Company announced that it was expanding its exploration and development strategy to include cobalt-nickel projects through investment or acquisition in two projects as follows:

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  f. assessing all old workings and prospecting around them to ascertain their style of mineralisation and potential;

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funding and managing a further $400,000 program of work which will include drill testing of the best targets. Alligator can withdraw from this work program at any time, and while the work is targeted for completion within 12 months, this can be extended by mutual agreement. If Alligator does not complete this work it will have earned no interest and will have no further rights in the mineral titles;
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- Upon Alligator ceasing sole funding, the partners to the JV will contribute in proportion to their interest in the JV or dilute. If a partner's interest falls below 10% it will be converted to a 1% NSR;
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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.

ALLIGATOR ENERGY LIMITED
ACN 140 575 604

DIRECTORS' DECLARATION

The Directors of the Group declare that:

1. The consolidated financial statements and notes, as set out on pages 9 to 17 are in accordance with the *Corporations Act 2001*, including:
   a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
   b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



John Main
Executive Chairman

Brisbane, 7 March 2018

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ALLIGATOR ENERGY LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Alligator Energy Limited ("the company"), which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the half-year's end or from time to time during the financial half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Alligator Energy Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of Matter – Going Concern

Without qualification to the review conclusion expressed above, we draw attention to Note 1 in the financial statements, which describes the principal conditions that raise doubt about the consolidated entity's ability to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. In accordance with the *Corporations Act 2001*, we have given the directors' of the company a written Auditor's Independence Declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors' of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Alligator Energy Limited and its controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PKF HACKETTS

PKF HACKETTS AUDIT

LIAM MURPHY
PARTNER

BRISBANE
DATE: 7 MARCH 2018

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ALLIGATOR ENERGY LIMITED
ACN 140 575 604

COMPETENT PERSON'S STATEMENT

The information included in the Directors' Report in relation to exploration activities during the half year ended 31 December 2017 is extracted from the Quarterly Activities Report for the quarter ended 31 December 2017 and is available to view on the Company's website- www.alligatorenergy.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.