ALLIGATOR ENERGY LTD

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18 November 2016

NON-RENOUNCEABLE RIGHTS ISSUE

Highlights

- **Alligator (ASX:AGE) announces a 1:4 non-renounceable Rights Issue at $0.01 per Share plus 1 attaching option for every 2 new Shares;**
- **Offer to raise up to $899,840 before issue costs;**
- **Macallum Group Limited (MGL) to take up its full Rights Issue entitlement of 18,232,857 new Shares ($182,328) under a joint underwriting agrrement with Taylor Collison;**
- **Taylor Collison agrees to be a joint underwriter for a further 60,000,000 new Shares ($600,000)**

The Board of Alligator Energy Limited has approved a non-renounceable Rights Issue to raise $899,840 before capital raising costs.

The funds raised will be used for the following purposes:

(a) maintaining the Company's exploration interests and assets in the Alligator Rivers Uranium Province;
(b) evaluating other targets and planning to drill the Company's high priority targets;
(c) evaluating other business development opportunities;
(d) the costs of the capital raising; and
(e) working capital.

The non-renounceable Rights Issue to eligible shareholders, is on the basis of 1 new Share for every 4 Shares currently held at an issue price of $0.01 per share to raise up to $899,840 (before costs). An attaching option will be issued for the application of every 2 new Shares.

The attaching Options have an exercise price of $0.021 and expire 3 years from the date of issue. All Shares issued on exercise of the attaching Options will rank equally with the Shares on issue

The Offer is partially underwritten by Taylor Collison Limited and the Macallum Group Limited (**MGL**). MGL currently has a 20.3% substantial shareholding in Alligator. The joint underwriting commitment totals 78,232,857 new Shares or 86.9% of the total offering.

All directors who hold Shares in the Company have indicated their intention to support the Rights Issue for their full entitlement.

The Board advises that it reserves the right to place any shortfall under the Rights Issue to shareholders or other investors.

Rights Issue

Assuming no existing options on issue in the Company are exercised, approximately 89,984,027 new Shares will be offered under the Rights Issue (**Entitlement Shares**). The Rights Issue will be available to all registered shareholders who hold shares at 7 pm Brisbane time on 28 November 2016 (**Record Date**) with registered addresses in Australia and New Zealand (**Eligible Shareholders**). Shares issued pursuant to the Rights Issue will rank equally with all shares on issue.

Option holders need to exercise their options and be a registered holder of shares on the Record Date if they wish to participate in the Rights Issue.

In accordance with the ASX Listing Rules and the *Corporations Act 2001 (Cth)* (**Corporations Act**), Alligator has considered the number of shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand and the size of the shareholdings held by those shareholders. Taking this into consideration, as well as the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to the shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand, the Company has formed the view that it is unreasonable to extend the Rights Issue to those shareholders.

Eligible Shareholders may, in addition to their Entitlements, apply for a further $500, $1,000, $2,000, $5,000, $10,000 or $15,000 of New Shares over and above their Entitlement at the Offer Price (**Additional Shares**) regardless of the size of their present holding.

An application will be made for quotation of the attaching Options on the ASX. In order for the Attaching Options to be granted Official Quotation by the ASX it is a condition of quotation that there must be at least 100,000 attaching Options and 50 holders with a marketable parcel. If this condition cannot be met, the Company will issue the attaching Options but they will not be quoted on the ASX.

Underwriting

The Entitlement Shares will be partially underwritten by Taylor Collison and MGL (**Joint Underwriters**), accordingly, any new Shares not subscribed for by Eligible Shareholders under the Rights Issue will be dealt with by the Joint Underwriters in accordance with the agreed underwriting arrangements. Taylor Collison will underwrite up to a maximum of 60,000,000 new Shares ($600,000). MGL will underwrite up to its full entitlement under the Rights Issue being 18,232,857 new Shares ($182,328).

A summary of the underwriting arrangements will be set out in the Prospectus that will be sent to shareholders on or about 1 December 2016.

Use of Funds

The purpose of the Rights Issue is to raise up to $899,840, excluding the costs of the Rights Issue.

The capital raised from the Rights Issue will be used to maintain the current interests and assets in the Alligator Rivers Uranium Province, to evaluate other business development opportunities, working capital and to cover the costs of the capital raising.

For full details of the proposed use of funds raised, see the Prospectus dated 18 November 2016 and released to the ASX on the same date.

Timetable

A proposed timetable for the Rights Issue is set out in the table below:

Announcement of Issue	Prior to commencement of trading on Friday 18 November 2016
Lodgement of Prospectus with ASIC and ASX	Prior to commencement of trading on Friday 18 November 2016
Notice to Option Holders	Friday 18 November 2016
Notice to security holders containing Appendix 3B information	Monday 21 November 2016
Shares commence trading on an ex rights basis	Friday 25 November 2016
Record Date for the Offer	Monday 28 November 2016
Prospectus and Entitlement and Acceptance Form despatched to Shareholders	Thursday 1 December 2016
Opening Date of Offer (9am Brisbane time)	Friday 2 December 2016
Closing Date of Offer (5pm Brisbane time)	Friday 16 December 2016
Advise ASX of any shortfall	Wednesday 21 December 2016
Expected date of issue of New Shares and Attaching Options	Friday 23 December 2016
Commencement of trading of New Shares and Attaching Options on ASX (provided quotation conditions are met for Attaching Options)	Wednesday 28 December 2016
Expected date of despatch of holding statements for New Shares	Friday 6 January 2017

This timetable is indicative only and may be subject to change arising from the requirements of the Corporations Act and the ASX Listing Rules.

The Rights Issue is being made in accordance with s713 of the Corporations Act. Alligator will prepare and send the Prospectus with the Rights Issue offer to all Eligible Shareholders on 1 December 2016, as set out in the timetable above.

If all shareholders take up their entitlement under the Rights Issue, the Rights Issue will have no effect on the control of Alligator. However, the proportional shareholdings of shareholders who are not residents in Australia and New Zealand, may be diluted as those shareholders are not entitled to participate in the Rights Issue. Additionally, if an Eligible Shareholder does not take up their entitlement in full there may be a dilutionary effect on that shareholder's proportionate shareholding.

Further information

The Company anticipates that approximately 89,984,027 Entitlement Shares will be issued (this number may have to be increased by a further 175,000 Entitlement Shares if existing option holders exercise their vested options and are registered shareholders by the Record Date). The new Shares will be issued for $0.01 each.

Upon completion of the Rights Issue, and assuming it is fully subscribed and that existing options are not exercised and that the ASX grants listing for the attaching options, the issued capital of Alligator

will comprise approximately 449,920,136 Shares, 44,992,014 listed options exercisable at $0.021 and 8,486,130 unlisted options exercisable (for those that have vested) at $0.15.

The new Shares will rank equally in all respects with Alligator's existing shares. If an Eligible Shareholder's entitlement results in a fraction of an Entitlement Share, the entitlement will be rounded up to the nearest whole number.

Trading in the new Shares is expected to commence on or about 28 December 2016.

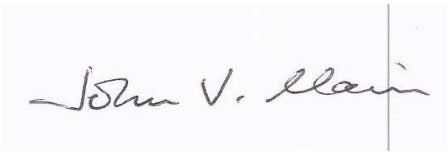
Entitlements not taken up may become available as Additional Shares. Eligible Shareholders may, in addition to their Entitlements, apply for new Shares over and above their Entitlement at the Offer Price regardless of the size of their present holding. The Directors reserve the right in conjunction with the Joint Underwriters, as contemplated within the Listing Rules, to allocate any Shortfall of new Shares in their discretion and to conduct a placement of the remaining Shortfall so as to ensure a maximum amount of funds are raised. They will do so in a manner which will ensure that no Shareholder or other investor who does not already hold in excess of 19.99% will as a consequence of taking up their Entitlement and being issued any Additional Shares or Shortfall hold a relevant interest of more than 19.99% of all of the Shares in the Company after this Issue. Any Shortfall will be issued within 3 months after the Closing Date at an issue price being not less than the Rights Issue price of $0.01.

Participating in the Rights Issue

The Board recommends the Rights Issue to shareholders. However, before making a decision whether to apply for Rights Issue Shares, Eligible Shareholders should read the Offer Document carefully and in its entirety when they receive it. For further information on your Entitlement, please contact your professional advisor or the Company's share registry, Security Transfer Australia Pty Ltd.

Yours faithfully

Alligator Energy Limited



John Main

Chairman