ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES

ACN 140 575 604

FINANCIAL REPORT FOR THE YEAR ENDED
30 JUNE 2022

For personal use only

For personal use only

DIRECTORS' REPORT

Your directors present their report, together with the financial statements of the Group, being the Alligator Energy Limited ("the Company" or "Alligator") and its controlled entities ("the Group"), for the financial year ended 30 June 2022.

Directors

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Paul Dickson (Chairman)
- Andrew Vigar
- Peter McIntyre
- Gregory Hall

Principal activities and significant changes in nature of activities

The principal activities of the Group are uranium and other energy mineral exploration and their potential future development. 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's operating performance over the course of the financial year was largely unaffected at the Samphire Project in South Australia. However COVID-19 access and travel related restrictions significantly impacted the Group's ability to progress evaluation of its Alligator Rivers and Piedmont Projects. The access and travel restrictions were relaxed towards the end of the financial year with work programs now under way at both Projects.

During the financial year the Group continued to meet its ESG related operating KPIs including:

- Operation without any lost time injuries
- No reportable environmental issues
- Compliance under the Native Title Mining Agreement for Exploration (South Australia) Exploration Agreements (Northern Territory) with the respective Traditional Owners
- Full compliance with all other applicable agreements, regulations and laws

For personal use only

b) Operations for the year

Overview

The principal focus of activity during the financial year related to progressing evaluation of the Samphire Uranium Project ("Samphire") including completion of sonic and rotary-mud drilling programs with the objective of improving the confidence level in the Blackbush Deposit JORC Resource ahead of a Scoping Study to be completed in the first half of the 2023 financial year. To lead and drive the next steps at Samphire, the Company secured as its Chief Operating Officer the services of a highly skilled executive, Dr Andrea Marsland-Smith, with significant uranium in-situ recovery (ISR) experience.

Activities are now well underway to apply for a Retention Lease for Samphire in order to be in a position to conduct a field recovery trial (pilot ISR process) in the second half of the 2023 calendar year. This will be aimed at confirming optimal well-patterns, in-situ uranium recovery rates and uranium extraction effectiveness using salt-tolerant resins.

Preparations were also advanced during the year for the conduct of field activities at the Company's remaining three projects. Post financial year end an airborne gravity survey was initiated at the Nabarlek North and ground EM and drone magnetic geophysics surveys at Piedmont.

The Company's received significant capital market support for its proposed activities during the year with $10.7M (August 2021) and $11M (October 2021) raised through share placements and a further $8.2M raised in February 2022 through a bonus option offer to eligible shareholders. Along with these, options associated with the December 2020 capital raise (ASX: AGEOB) provided a total of $1.66M through take up by option-holders.

Samphire Uranium Project – South Australia (Alligator 100%)

In September 2021, Alligator concluded the purchase of EL 6350 which is a split tenement, with the main area of interest being directly adjacent to Alligator's existing tenure at Samphire. The tenement is deemed prospective for paleochannel hosted mineralisation as seen at Blackbush and Plumbush and has existing historic drilling containing uranium intercepts, including 7.3 metres at 445ppm eU3O8 in hole MRM136.

Drilling and geochemical sampling of 14 sonic core holes at Samphire was successfully completed in early 2022, targeting known uranium-bearing zones in the high-grade western portion of the Blackbush resource area. Results verified high-grade uranium grades over anticipated intervals with assays returning exceptional results in a number of holes. The assay results also confirmed the robustness of uranium grades obtained from the downhole PFN tool in AGE's sonic and rotary-mud drilling campaigns and correlate well with the PFN (pU3O8) and gamma-derived uranium grade data (eU3O8) from historical drilling.

For personal use only

b) Operations for the year (continued)

JORC resource re-estimation was initiated late in the year to assess what portion of the global Blackbush inferred resource is ISR amenable and, based on the tighter drill patterns, can be upgraded to an indicated category. AMC Consultants (Perth) continued to progress with this work as at 30 June 2022, with the updated resource being announced on 1 September 2022.

Mineralisation at the Blackbush Deposit is hosted in sequences of coarse to fine-grained sands, with minor clay zones directly overlying granite basement, supportive of ISR amenability from historical test-work. A subset of samples from these zones were submitted to ANSTO (Sydney) who are now undertaking uranium leach and ion exchange (IX) extraction test work. At completion, this work will broadly estimate expected extraction recovery, reagent consumption and ion-exchange resin loading rates.

Wallbridge Gilbert Aztec (Adelaide) were engaged to commence a Scoping Study on the Blackbush Deposit in May 2022. Results from the AMC resource estimation and the completion of ANSTO test work will be driving the delivery date of the study as they are critical inputs. It is anticipated this will be towards the end of Q3 or early in Q4, 2022.

Application for a Retention Lease (RL) and operational Program for Environment Protection and Rehabilitation (PEPR) for a uranium Field Recovery Trial at Blackbush has also commenced.

Re-examination of the Samphire Project's historical regional geophysics has also been initiated in conjunction with AGE's more recent ground magnetics and trial passive seismic work. The aim of this work is to select the optimal geophysical method for mapping in detail the entire Samphire palaeochannel system beyond its current known limits at Blackbush.

Alligator Energy's confidence in this Project and indeed the region has led to the Company applying for two (2) new mineral exploration licences surrounding the existing Samphire tenements. The Project now encompasses 550 km^2 (increased from 370 km^2) further consolidating and establishing the Company's tenure in this region

Alligator Rivers Uranium Province (ARUP)
Tin Camp Creek Tenements (Alligator 98%), Beatrice Tenements (Alligator 100%) and Nabarlek North Tenements (Alligator 100%)

During the year Alligator's focus at Nabarlek North was on planning for an IP and airborne gravity survey on receipt of all access approvals. On acquisition of the additional geophysical data and in combination with previous datasets a targeted and cost-effective auger, RAB and RC drilling program will be initiated before the onset of the wet season in the Northern Territory.

For personal use only

b) Operations for the year (continued)

The Company believes there is significant potential in the Nabarlek North area which also provides a more effective and efficient exploration terrain due to the reduced sandstone cover. The four world-class uranium deposits in the ARUP (Ranger, Jabiluka, Nabarlek and Koongarra) are hosted in basement and were discovered because they were evident in airborne radiometric surveys and at least part of the mineralisation was exposed at surface. Alligator's belief is that the second phase of discoveries will come from the shallow subsurface using modern exploration techniques.

Subsequent to year end all approvals were obtained and the 2022 Nabarlek North work program commenced in August 2022.

Big Lake Uranium Project- South Australia – (Alligator 100%)

In December 2021, Alligator issued an Acquisition Notice and finalised the Contract of Sale for the purchase of EL 6367 from the shareholders of Big Lake Uranium Pty Ltd. Under the terms of the Agreement, Alligator acquired all of the shares in Big Lake Pty Ltd, the holder of the exploration licence through the conversion of 30,000,000 Acquisition Performance Shares to fully paid ordinary shares in the Company. The original issue of the Acquisition Performance Shares was approved by Shareholders at the 26 November 2019 AGM.

The acquisition of Big Lake complements Alligator's uranium project portfolio with significant future exploration potential aiming to define a new Uranium Province. Following the successful application under the SA Department for Energy and Mining's (DEM) Accelerated Discovery Initiative (ADI), AGE facilitated and conducted an Airborne EM geophysical survey over its Big Lake project in the 2021 financial year. The survey was designed to investigate the presence of palaeochannel systems within the Tertiary Lake Eyre Basin of Project area.

A 2D seismic re-processing program was piloted in early 2022 to investigate the shallow (<500m) profiles of publicly available 2D seismic data, which has been collected by petroleum companies to exclusively explore for oil and gas in reservoirs over 2000m below surface. This pilot program was able to resolve the complex sedimentary sequences of the Tertiary Lake Eyre Basin (Namba and Eyre Formations) and Cretaceous Eromanga Basin (Winton and Cadna-owie Formations). From this data there is evidence of channel cut-and-fill from various levels of the stratigraphy. This broadens the exploration target in the Big Lake licence to much deeper than initially envisaged.

Based on the work conducted during the first half of the 2022 calendar year AGE has now recognised the importance of what the petroleum industry refers to as the "granite wash play" and how it relates to uranium mineralisation. The presence of alluvial fans emanating from granite hinterlands during the Permian (Patchawarra Formation) provides a far more favourable and widespread source of uranium-bearing fluids at depth from which a deposit might be formed in the overlying Cretaceous and Palaeogene sediments. The widespread footprint of this granite wash and the overlying sediments means that the potential for reduced and 5xidized fluids to interact and form a roll-front is also more extensive. This motivated Alligator to apply for a larger landholding to the south and west covering the footprint of the granite wash play.

b) Operations for the year (continued)

Engagement with the key indigenous group for the Project continued during the year with the objective of finalising a Native Title Agreement for Exploration so that a drilling program can be initiated in early 2023.

Piedmont Project – Northern Italy – Farm-in + 100% owned tenements

Alligator is farming into, and has direct lease applications, in an historic Nickel-Cobalt-Copper mining area in the Piedmont region, northern Italy. The Company has access to multiple exploration permits over a 30km mineralised strike length, containing 17 prospects and old mines containing 0.5% Ni or more, across which there has been minimal modern exploration.

Travel and access to the Project during the financial year was impacted by Covid however a field trip by Alligator's in-country team was conducted during April 2022. This included undertaking reconnaissance for a proposed geophysics program and investigating additional helicopter and ground access options to the Sella Bassa Prospect.

In early February 2022, Alligator secured a twelve-month option to acquire a 100% interest in the Exploration Licences that form the Piedmont Farm-in and Joint Venture with Chris Reindler and Partners. On a decision by the Company to exercise the option and after obtaining approval from Piedmont regulatory authorities an agreed purchase consideration of $350,000 (in a mix of cash and shares) becomes payable and a 1% Net Smelter Royalty (NSR) is granted based on future production from the Alpe Laghetto Exploration Licence area. Consolidation and full control of Alligator's interest in the Piedmont Project is expected to assist in progressing discussions with strategic investors

Contractor arrangements were commenced during the financial year and post year end were being finalised to undertake ground-based EM geophysics at Alpe Laghetto and broader ranging drone magnetic surveys over additional prospects.

Traxys deal and Partnership

In May 2021 the Company formed a strategic relationship with Traxys North America LLC (Traxys), the U.S. arm of the global commodities trading group Traxys. Under the Agency Agreement Traxys will provide uranium marketing services for future uranium production, long term offtake contracting, project development financing and assist in uranium project acquisition opportunities.

For personal use only

For personal use only

b) Operations for the year (continued)

During the term of the Agreement, Traxys will act as Alligator's exclusive agent for the marketing of produced uranium. Alligator expects this Agreement will provide substantial value to Shareholders through:

- Support to accelerate Alligator's development of the Samphire Project and contract sales book;
- Leveraging Traxys' market intelligence, financing strength and customer relationships with nuclear utility uranium buyers to maximise future product pricing and project revenues;
- Working with Alligator on continued evaluation of external uranium resource opportunities to develop a future supply pipeline;
- Potential for U3O8 inventory finance and logistics support;
- Consideration of project development finance up to US$15 million to support project start up; and
- Development of a strategic relationship which will accelerate Alligator's transition from a junior explorer and development company into a bona fide producer with a global supply profile and a matching market cap.

Capital raisings

Alligator completed capital raising initiatives in August and October 2021 and completed a loyalty (bonus) option offer to existing Shareholders in February 2022.

The key elements of the capital raising initiatives were as follows:

- The Placement of 395.5M fully paid ordinary shares at $0.027 to raise a gross amount of $10.7M for an extended work program at Samphire including establishment of a uranium extraction field recovery trial and an initial on-ground geophysics survey at the Nabarlek North project (ARUP) with drill testing
- The Placement of 176M fully paid ordinary shares at $0.0625 (with three free attaching options at $0.081 per four shares) to raise a gross amount of $11M for additional sonic core drilling, hydrogeology and other baseline studies and inclusion of an IX pilot at Samphire, enlarged work program at Nabarlek North and to fund evaluation and funding of potential future uranium project opportunities
- A bonus offer of unlisted loyalty options ("**Bonus Options**") to all eligible Shareholders. The Bonus Options were offered on a one for ten basis to all eligible Shareholders at a Record Date of 29 October 2021 and were priced at $0.045. The options expired on 1 February 2022 raising a further $8.2M.

For personal use only

b) Operations for the year (continued)

Performance Shares

Performance Shares associated with the Big Lake Farm-in and Share Sale Agreement were allotted in December 2019 after obtaining an ASX Listing Rule 6.1 waiver. The waiver granted by the ASX included the following disclosure requirements in each Quarterly, Half Year and Annual Report:

- Number of Performance Shares on issue at the end of the Year: 30,000,000
- Summary of the terms and conditions of the Performance Shares: See Note 12(d)
- Performance Shares converted or cancelled during the Year: 30,000,000
- Performance Share milestones met during the Year: 30,000,000 – converted on 21 December 2021 – See Note 12(a).

The value of the Performance Shares allotted is measured when milestones have been met and conversion to Fully Paid Ordinary Shares has occurred.

Director Fee Plan

The Directors elected not to renew the Fee Plan at the November 2021 AGM due to the more favourable operating environment for funding exploration and corporate activities.

c) Operating Loss

The operating loss before tax was $2,247,507 (2021: $991,316) which was a significant increase due to a change in the both the size and scale of activities of the Group during the financial year. The key contributing factors influencing the significantly increased operating cost base were as follows:

- Recruitment of additional personnel including a Chief Operating Officer for the first time, obtaining agreement from the CEO to accept a full-time role and the associated share-based payments
- Increased corporate level activity including completion of transactions and the associated legal agreements for Big Lake and the Piedmont Option along with business development activities focused on new opportunities
- Drilling programs at Samphire, site establishment and Whyalla based office and storage / layout yard
- Establishment of a physical office-based presence in Adelaide
- Investor activity based charges from the ASX and share registry associated with a large shareholder base and volume of trading in the Company's shares
- IT related costs associated with a significant number of short-term licences purchased to assist the Company's exploration and evaluation activities.

There were no additional expenses incurred as a result of the COVID-19 pandemic whilst the employee benefits expense for 2021 was reduced by $38,040 as a result of Federal Government assistance.

For personal use only

c) Operating Loss (continued)

The Company expensed tenement holding costs incurred for the financial year at its Tin Camp Creek and Beatrice Projects (ARUP) due to there being limited opportunity to conduct on-ground activity. This expenditure related principally to salaries, rentals, royalties and compliance activities and totalled $180,300 (2021: $67,248).

d) Financial Position

Net assets of the Group totalling $44,001,063 increased by $30,655,226 during the financial year principally as a result the proceeds from capital raising activities less operating expenditures. The cash balance at 30 June 2022 was $27,127,889 compared to $1,631,104 at the same time in 2021.

e) Business strategies and prospects for future financial years

Strategy and Business Plan

Alligator's strategy is to advance its key resource and exploration targets, through direct and strategic partner investment, while evaluating and acquiring further uranium or energy minerals interests in target regions.

The Samphire Project is now the most advanced in the Company's portfolio and will therefore receive the greatest focus of attention in progressing towards firstly a Scoping Study and ultimately a feasibility study for a low cost ISR style development.

The Company previously conducted a comprehensive re-evaluation of the regional and local geology for the ARUP region, which has enhanced the understanding of the stratigraphic and structural relationships that we believe are the proven key to mineralisation of large uranium deposits within the ARUP. This highlighted a broad prospective zone running from the western Beatrice project, through the eastern portion of the Tin Camp Creek Project and into the Nabarlek North Project area as high priority for further work. Along this trend, 8 areas for immediate assessment were highlighted combined with 6 addition target areas within the Alligator licences. The immediate focus will be on the lower cost for exploration, readily accessible and prospective Nabarlek Project. Specifically, the potential for further mineralisation to the north of DevEx Resources Limited (ASX: DEV) U40 Prospect into Alligator's newly granted Narbalek North tenements.

The Big Lake Uranium acquisition is focussed on a new potential ISR area which contains uranium but has unproven potential. There is proven value in ISR uranium deposits located in the experienced regulatory regime of South Australia, which has one operating ISR mine and one on care and maintenance awaiting market improvement. In 2020, 55% of the world's uranium was produced from ISR mining.

For personal use only

e) Business strategies and prospects for future financial years (continued)

Alligator continues to identify and assess, on its existing tenure and externally, energy mineral projects which may enable discovery, earn-in or acquisition of an interest in a manner which compliments (does not detract) from the focus on our uranium portfolio. In this regard Alligator identified a unique opportunity in the exploration and potential delineation of high-grade nickel–cobalt–copper deposits in the historic Piedmont province in northwest Italy, at a time of heightened interest within Europe for sustainable supply of strategic minerals for the EV, battery and future electronics industry. The Company has both farm-in and directly held leases and applications in the known Ni Co Cu region with access to multiple exploration permits over a 30km mineralised strike length, referred to as 'The Piedmont Project'.

Work on further opportunities and external project evaluation continues utilising existing experienced staff and key consultants. Alligator Energy still has one of the few Board, Management and advisory teams that have discovered uranium projects, taken uranium projects through resource definition and into development, and managed and operated uranium mines.

Research & Development

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 Research and Development Program. R&D activities have focused on identifying and targeting covered and fully-preserved unconformity uranium deposits beneath the covering Kombolgie Sandstone in the ARUP. Along with this, investigation and experimentation are being undertaken on innovative applications of radiogenic isotope geochemical testing and Sub Audio Magnetics (SAM) geophysical techniques.

Alligator commenced the collection of water samples in 2013 for initial investigations into spring and water fed radiometric anomalies. The water samples were analysed through ANSTO for radionuclide concentrations with the aim of differentiating uranium and thorium sources. Several samples considered highly anomalous for uranium or Ra226 (Uranium decay chain) highlighted the potential passage of groundwater through a uranium rich source. With indications of ground water passing through a uranium bearing source Alligator is seeking to further research this concept using isotope analysis to aid with the identification of water pathways below Kombolgie sandstone cover.

Alligator is also utilising existing publicly available seismic data from Cooper Basin oil and gas exploration to consider whether this assists in the location of potential buried channels in the upper-level sediments capable of containing uranium deposition traps.

For personal use only

e) Business strategies and prospects for future financial years (continued)

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:

(i) 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 or other minerals 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 or other minerals 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.

(ii) Capital requirements

Alligator relies on the issue of its equity shares or farm-out/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 additional capital, it may be required to reduce the scope of its future exploration 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 factors including the strength of equity and capital markets in Australia and throughout the world, changes in government policies, commodity prices and the prospectivity of the Group's tenement holdings and identified prospects.

(iii) Land Access Issues

Aboriginal land access and Aboriginal heritage related concerns in the ARUP and South Australia and designated conservation areas in northern Italy may affect the ability of Alligator to pursue exploration, development and mining on Alligator's properties. Alligator is committed to working with all stakeholders associated with land access for exploration and development in a complimentary and effective manner.

For personal use only

e) Business strategies and prospects for future financial years (continued)

(iv) 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 including those associated with COVID-19 through its existing operating procedures, Environmental Plans, internal audits and liaison with regulators and stakeholders.

f) 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.

g) Environmental Issues

The Group's operations are subject to environmental regulations in relation 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.

h) New Accounting Standards Implemented

There were no new Accounting Standards adopted during the year.

i) Matters subsequent to the end of the year

The impact of the Coronavirus (COVID-19) pandemic is ongoing and has become a significant matter around the globe. Management continues to monitor developments and any potential future impact on the financial position and performance of the Group. However, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation has become dependent on measures imposed by the Australian Federal and State Governments and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

On 1 July 2022, 1,254,545 zero priced options issued to Non-Executive Directors after receiving Shareholder approval at an EGM held in June 2021 vested and were converted into fully-paid ordinary shares. The options were issued in lieu of forgone director fees for the period October 2019 to March 2021.

For personal use only

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

On 6 July 2022, Alligator advised that it had applied for two additional exploration licenses surrounding the current Samphire Project tenure based upon anticipated and potential extensions to the interpreted paleochannels. AGE's strategic land holding for the Samphire Project will extend from 370.7 km2 to 551.8 km2 once granted.

On 1 September 2022, the Company reported its initial Indicated and Inferred Mineral Resource Estimate (MRE) targeting in-situ recovery at the Blackbush Deposit (Samphire Project). The MRE comprises 14.8Mlbs U3O8 at 250ppm cut-off (combined Inferred and Indicated) from 10Mt @ 666 ppm U3O8. The MRE applies to ISR amenable lithologies only (i.e., the Kanaka Beds). The average grade of the MRE at Blackbush of 666ppm U_3O_8 lifted from Uranium SA's (previous owner) global mean grade of 230ppm U_3O_8 and is now on par with several existing and previously operating ISR projects in Australia and the USA. The Company's next drilling program of 100 infill and extensional holes at Blackbush will commence early October 2022

No other matter or circumstance has arisen since 30 June 2022 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.

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

Paul Dickson has over 35 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 and Proserpine Capital Partners Pty Ltd, a Private Equity business based in Melbourne. Paul currently works within the equity markets area for Henslow Pty Ltd.

Other current directorships	Non-executive Director Cobold Metals Limited (Public Unlisted)
Former directorships (last three years)	Non-executive Chairman of Wedderburn Goldfields Ltd (six months only)
Special responsibilities	Member of the Audit & Risk Management Committee
Interests in shares / options	18,454,099 ordinary shares (indirect) and 490,909 Zero Strike Priced Options
Length of service	13 years and 7 months

For personal use only

Information on Directors (continued)

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

Andrew is a Geologist with over 40 years of experience in the minerals industry covering exploration to mining, finance, corporate and education. After graduating from QUT in 1987 he held several company positions before commencing consulting in 1996. He worked with SRK for several years before founded Mining Associates in Brisbane, Australia in 2003 and Hong Kong in 2009. He has co-founded several Public companies including DGO Gold (ASX:DGO) 2007, Alligator Energy (ASX:AGE) 2010 and K92 Mining (TSX:KNT) 2014. He remains a Director of AGE and Chairman of Mining Associates and Vigar Investments.

He is a Fellow and long-term supporter of the AusIMM, AIG and SEG being a former local branch Treasurer, Chairman and Councillor of the AusIMM. He is the co-founder and Chairman of the highly successful Brisbane Mining Club, Partner in the Wollumbin Palms Rainforest Retreat Eco Resort in Northern NSW and continues a long association with the University of Queensland.

Other current directorships	Executive Chairman T92 Terra Uranium Limited
Former directorships (last three years)	Nil
Special responsibilities	Chair of the Audit & Risk Management Committee
Interests in shares / options	14,795,999 ordinary shares (direct and indirect) and 381,818 Zero Strike Priced Options
Length of service	12 years and 10 months

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

Peter has over 40 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, Copper Search Ltd and Coronet Resources Pty Ltd
Former directorships (last three years)	Zamanco Minerals Ltd
Special responsibilities	Nil
Interests in shares / options	66,847,108 ordinary shares (indirect) and 381,818 Zero Strike Priced Options
Length of service	9 years and 11 months

For personal use only

Information on Directors (continued)

Gregory Hall – BE in Mining Engineering - **CEO and Managing 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). He has previously held operational roles in copper companies as CEO of Hillgrove Resources Ltd, and Project Director of Rex Minerals. 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 immediate Past President of the South Australian Chamber of Mines and Energy Council.

Other current directorships	Non-executive director Copper Search Ltd (ASX:CUS) and Torch Energy Pty Ltd
Former directorships (last three years)	Non-executive director of Copperstone Resources Ltd (Nordic Nasdaq listed)
Special responsibilities	Nil
Interests in shares / options	22,547,931 ordinary shares and 13,834,353 unlisted Short and Long Term Performance Incentive Options
Length of service	7 years and 2 months

Information on other Key Management Personnel

CFO & Company Secretary

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

Mike is a Chartered Accountant with over 35 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 advising a number of junior mineral explorers in both Western Australia and Queensland on governance and financial reporting matters. Mike also held the Company Secretarial role with Geopacific Resources Limited (ASX: GPR) until March 2022.

For personal use only

Information on other Key Management Personnel (continued)

Chief Operating Officer

Dr Andrea Marsland-Smith – PhD in Economic Geology

Andrea is a qualified geologist with an immense wealth of uranium industry experience through her previous role as one of a five member Executive Management Team of Heathgate Resources, owner/operator of the Beverley/Beverley North and operator of the Four Mile ISR uranium projects in South Australia. Her roles on these projects have ranged through technical and field positions in Geology through to Head of Geology, Head of Regulatory & Compliance, and Head of Operations up to 2019. Andrea was also previously a senior exploration geologist with Uranium Equities Ltd, which operated in the Alligator Rivers region.

Meetings of directors

The number of meetings of the Company's board of directors held during the year ended 30 June 2022, and the number of meetings attended by each director were:

	Director's Meetings		Audit & Risk Mgmt Committee Meetings	
	No. eligible to attend	No. attended	No. eligible to attend	No. attended
Paul Dickson	12	12	2	2
Andrew Vigar	12	12	2	2
Peter McIntyre	12	12	-	-
Greg Hall	12	12	2	2

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. The Directors have also executed Deeds of Access and Indemnity with the Company.

For personal use only

Shares under Option

At year end and the date of this report, the unissued ordinary shares of Alligator Energy Limited under option was as follows:

Grant/Issue date	No. under option	Expiry date	Issue price of shares
19 July 2019	13,750,000	19 July 2022*	Zero Strike Priced
26 Nov 2020	5,400,000	1 April 2023	Zero Strike Priced
10 Sept 2021/ 31 March 2022	3,019,695	31 Aug 22/30 June 24	Zero Strike Priced
1 December 2021	2,184,353	30 Sept 22/1 Sept 24	Zero Strike Priced
31 March 2022	3,611,557	31 Mar 23/31 Mar 25	Zero Strike Priced
2 July 2021	1,254,545	2 July 2022**	Zero Strike Priced
1 December 2021	132,000,000	1 December 2025	8.1 cent

*- post year-end all 13,750,000 long term incentive options expired as the vesting conditions had not been met

**- post year end the service-related vesting conditions were met and the 1,254,545 zero strike priced options were converted into fully paid ordinary shares

The Company also has 30,000,000 Performance Shares on issue at the date of this report which convert into one (1) fully paid ordinary share, subject to satisfaction of the milestone set out below:

- 30,000,000 Contingent Consideration/Discovery Performance Shares: on discovery and definition of a JORC compliant Inferred Resource of 25 million lbs U3O8 at 1,000ppm uranium or greater on the Big Lake Uranium Project within five (5) years.

Holders of Options and Performance Shares 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. 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.

During the year ended 30 June 2022 nil (2021: 10,800,000) ordinary shares were issued on vesting of performance options granted to the CEO under a short and long-term incentive scheme.

For personal use only

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 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 marketplace for similar sized exploration companies with similar risk profiles and comprise:

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 or daily 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 all personnel 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 10-50% of the total available performance incentive. Assessment of the performance against the agreed KPIs and approval by the Board must occur in the quarter following the performance year. Cash performance incentives paid to senior management are based only on exceptional circumstances.

Long Term Incentives

The Employee Share Option Plan was renewed and approved at a Shareholder general meeting on 29 June 2021 on the same terms under which it has previously operated. Incentives are offered in the form of options or rights and are intended to align the interests of the Group with those of the Shareholders. The long-term incentives issued in the form of options only vest in certain agreed proportions when one of the following trigger events occur, namely resource definition drilling commences upon a uranium deposit with the potential to contain 50 million pounds of uranium, completion of the Samphire Project feasibility study and submission of the approval documents or resource drilling commences upon a nickel/cobalt deposit with a potential to contain no less than 150,000t of nickel equivalent or total shareholder return performance measured against the Solactive Global Uranium and Nuclear Energy Index. The long-term incentives granted as options or rights have a three-year life.

For personal use only

REMUNERATION REPORT (AUDITED) (continued)

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 agreed that for the period from 1 October 2019 to 31 March 2021 to accept a temporary reduction in fees due initially to market conditions for the uranium sector and then in early 2020 the onset of the COVID-19 pandemic. In view of the improved market conditions in April 2021 the Board agreed to reinstate fees to the previous level and to engage an external consultant to undertake a peer benchmarking review. The external consultant recommended that the remuneration of the chair be increased from $59,400 to $82,500k (incl superannuation) and non-executive director fees from $46,200 to $52,500 (incl superannuation) with an annual additional fee of $5,000 payable to the chair of the Audit & Risk Committee. This recommended increase was adopted with effect from 1 December 2021.

Approval was obtained at an EGM held on 29 June 2021 to issue Zero Strike Priced Options (ZSPO) to Non-executive Directors in lieu of the previous sacrifices and together with the increased workload from mid-2020 associated with the Samphire Project and other corporate initiatives. Determination of the number of ZSPO was based on 25% of the Existing Annual Fee and is expected to be a one-off occurrence.

There are no termination or retirement benefits other than statutory superannuation.

The Directors elected not to recommend renewal of the Directors Fee Plan (Fee Plan) for non-executive directors at the 2021 AGM due to the changed operating environment for the Company and the sector as a whole. The Fee Plan was first introduced in the 2014 financial year and had then been updated and approved each subsequent year by Shareholders in general meeting. For the June 2022 financial year 438,462 shares were issued to Directors in lieu of fee payments. These share issues occurred under the Fee Plan approved at the 2021 AGM.

Engagement of Remuneration Consultants

During the year the Group engaged BDO Services Pty Ltd to review the structure of the Company's performance incentive plan and to benchmark non-executive director remuneration arrangements at a total cost of $25,000.

For personal use only

REMUNERATION REPORT (AUDITED) (continued)

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 in prior years.

The company believes this policy is important in contributing to shareholder value in the current difficult market conditions for junior explorers. The following table shows the share price performance over the last two financial years:

	30 June 2022	**30 June 2021**
Closing share price	$0.049	$0.036

b) Directors and executive officers' remuneration (KMP)

The following table of benefits and payments details, in respect to the financial year:

		Short-term Benefits	**Post-employ Benefits**	**Share-based Payments**		**Termin-ation Benefits**	**Total**	**Value of share based payments as % of Remuneration**
		Salary and Fees	**Super-annuation**	**Shares**	**Options**			
		$	**$**	**$**	**$**	**$**	**$**	**$**
Directors								
A Vigar	2022	47,992	4,799	-	9,450	-	62,241	15%
	2021	18,750	3,349	16,500	-	-	38,599	-
P Dickson	2022	66,250	6,625	-	12,150	-	85,025	14.3%
Chairman	2021	32,213	4,489	15,037	-	-	51,739	-
P McIntyre	2022	45,341	4,534	-	9,450	-	59,325	15.9%
	2021	-	3,349	35,250	-	-	38,599	-
G Hall	2022	213,033	21,265	-	35,476	-	269,774	13.2%
CEO	2021	114,857	11,529	6,500	18,900	-	151,786	12.5%
Key Management Personnel								
M Meintjes	2022	132,825	-	23,443	10,873	-	167,141	20.5%
CFO & Co Sec	2021	103,375	-	-	1,400	-	104,775	1.3%
A Marsland-Smith	2022	104,167	10,417	-	20,675	-	135,259	15.3%
COO (*start -1/2/22*)	2021	-	-	-	-	-	-	-
A P Moorhouse	2022	31,000	-	12,659	730	-	44,389	30.2%
Exploration Mgr (*finish 30/9/21*)	2021	80,150	-	-	1,697	-	81,847	2.1%
Total	**2022**	**640,608**	**47,640**	**36,102**	**98,804**	**-**	**823,154**	**16.4%**
	2021	**349,345**	**22,716**	**73,287**	**21,997**	**-**	**467,345**	**4.7%**

For personal use only

REMUNERATION REPORT (AUDITED) (continued)

c) 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 and the proportion that was performance based.

KMP	Position held as at 30 June 2022	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
Greg Hall	CEO	Full-time with three months notice	-	-	13.2%	86.8%	100%
Andrea Marsland-Smith	COO	Full-time with three months notice	-	-	15.3%	84.7%	100%
Mike Meintjes	CFO & Co Sec	Four weeks notice	-	14%	6.4%	79.6%	100%

For personal use only

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 or were cancelled 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							
A Vigar	2022	381,818	9,450	-	-	-	381,818
	2021	-	-	-	-	-	-
P Dickson	2022	490,909	12,150	-	-	-	490,909
	2021	-	-	-	-	-	-
P McIntyre	2022	381,818	9,450	-	-	-	381,818
	2021	-	-	-	-	-	-
G Hall	2022	2,184,353	58,943	(i)/(ii)	-	-	13,834,353
CEO	2021	10,800,000	24,300	(i)	4,860,000	540,000	11,650,000
Key Management Personnel							
M Meintjes	2022	769,230	14,250	(iii)/(iv)	-	-	3,269,230
CFO & Co Sec	2021	-	-	(iii)	-	-	2,500,000
A Marsland-Smith	2022	3,611,557	99,519	(v)	-	-	3,611,557
COO	2021	-		-	-	-	-
A P Moorhouse	2022	-	-	(iii)	-	-	-
Exploration Mgr	2021	-	-	(iii)	-	-	2,500,000
Total	**2022**	**7,819,685**	**203,762**				**21,969,685**
	2021	**10,800,000**	**24,300**		**4,860,000**	**540,000**	**16,650,000**

REMUNERATION REPORT (AUDITED) (continued)

d) Share based compensation (continued)

Details of options available for vesting in future periods in above table

Note	Number issued/to be issued	Grant date	Expiry date	Exercise Price	Vesting	Fair value
(i)	6,250,000	10 Dec 19	19 July 22	-	* see note	$0.001
	5,400,000	26 Nov 20	1 April 23	-		$0.001
(ii)	727,983	1 Dec 21	30 Sept 22	-	* see note	$0.053
	1,456,370	1 Dec 21	1 Sept 24	-		$0.014
(iii)	2,500,000	19 July 19	19 July 22	-	** see note	$0.001
(iv)	384,615	10 Sept 21	31 Aug 22	-	*** see note	$0.03
	384,614	10 Sept 21	30 Jun 24	-		$0.008
(v)	1,605,136	31 Mar 22	31 Mar 23	-	*** see note	$0.047
	2,006,421	31 Mar 22	31 Mar 25	-		$0.012

* Shareholders approved the grant of long-term performance options to the CEO at the 2019 and 2020 AGMs. The grant related to the employment contract periods ended 31 March 2020 and 2021. Shareholders also approved the grant of short-term and long-term performance options to the CEO at the 2021 AGM. The grant related to the employment contract period ended 30 September 2022.

** Long term incentive scheme options related to the 2019 field season

*** Short and long term incentive scheme options applicable the 2022 financial or employment contract year

During the financial year (effective 1 September 2021) the CEO accepted a full-time employment contract and consequently his performance assessment year was extended from March 2022 to September 2022. In the 2021 financial year 4,860,000 options vested as a result of the CEO meeting the majority of the short term KPIs for that contract year. These options were zero strike priced and automatically converted into ordinary shares.

For personal use only

For personal use only

REMUNERATION REPORT (AUDITED) (continued)

e) 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	BONUS OPTION EX /ON MARKET TRANSACT	Vesting of Perf. Options/ Award	Other changes (*)	Balance at the end of the year
2022						
A Vigar	18,418,510	-	(3,622,511)	-	-	14,795,999
P Dickson	17,502,979	169,231	768,554	-	13,335	18,454,099
P McIntyre	55,791,425	269,231	(1,490,796)	-	12,277,248	66,847,108
G Hall	22,215,392	-	332,539		-	22,547,931
M Meintjes	7,260,300	-	700,000	837,250	-	8,797,550
A Marsland-Smith	-	-	-	-	-	-
A Moorhouse**	1,339,533	-	-	452,100	(1,791,633)	-
Total	**122,528,139**	**438,462**	**(3,312,214)**	**1,289,350**	**10,498,950**	**131,442,687**

* - increase for P Dickson and P McIntyre relates to in-specie distribution of shares held in the Company by Macallum Group Limited as related party.

(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/ Lapsed	Other Changes	Balance at the end of the year	Vested and exercis-able	Unvested
2022							
A Vigar	-	381,818	-	-	381,818	-	381,818
P Dickson	-	490,909	-	-	490,909	-	490,909
P Mcintyre	-	381,818	-	-	381,818	-	381,818
G Hall	11,650,000	2,184,353	-	-	13,834,353	-	13,834,353
M Meintjes	2,500,000	769,230	-	-	3,269,230	-	3,269,230
A Marsland-Smith	-	3,611,557	-	-	3,611,557	-	3,611,557
A Moorhouse**	2,500,000	-	-	(2,500,000)	-	-	-
Total	**16,650,000**	**7,819,685**	**-**	**(2,500,000)**	**21,969,685**	**-**	**21,969,685**

*- Zero strike options

** - resigned 30 September 2021

For personal use only

REMUNERATION REPORT (AUDITED) (continued)

(ii) Options (continued)

At an EGM held on 29 June 2021 Shareholders approved a resolution to issue 1,254,545 Zero Strike Priced Options to Non-Executive Directors in lieu of past remuneration sacrifices and the additional workload during the financial year. The options were issued on 2 July 2021 have a zero-strike price, vest on 2 July 2022 based on continued service and expire on 2 January 2023 if not exercised.

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 25.

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

Chairman

Brisbane, 29 September 2022

For personal use only

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 2022, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) 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 BRISBANE AUDIT

TIM FOLLET
PARTNER

BRISBANE
29 SEPTEMBER 2022

PKF Brisbane Audit ABN 33 873 151 348
Level 6, 10 Eagle Street, Brisbane, QLD 4000 | GPO Box 1568, Brisbane, QLD 4001 | T: +61 7 3839 9733
Brisbane | Rockhampton www .pkf.com.au

Liability limited by a scheme approved under Professional Standards Legislation.
PKF Brisbane Pty Ltd. is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

For personal use only

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 2022

	Note	2022 $	2021 $
Other income		32,313	3,146
Accounting and audit fees		(54,929)	(45,225)
Depreciation		(3,222)	(5,676)
Directors' fees		(183,592)	(167,535)
Employee benefits expense		(580,182)	(278,076)
Training		(4,558)	-
Legal fees		(83,489)	(15,304)
Occupancy expenses		(82,597)	(28,282)
Share-based payments		(204,710)	(26,793)
Stock exchange and share registry fees		(242,958)	(115,788)
Investor relations		(99,809)	(12,765)
Travel and accommodation expenses		(39,286)	(3,909)
Insurance		(73,295)	(66,120)
Business development		(268,447)	(119,096)
Foreign exchange (loss)/gain		(722)	-
Exploration and evaluation expenditure		(180,300)	(67,248)
Impairment charge	9	-	(23,502)
Other expenses		(96,404)	(14,615)
Computer/Software expenses		(81,322)	(4,527)
Loss before income tax		(2,247,507)	(991,316)
Income tax benefit / (expense)	20	-	-
Loss for the year		(2,247,507)	(991,316)
Other comprehensive income		-	-
Total comprehensive loss for the year		(2,247,507)	(991,316)
Loss attributable to members of the parent entity		(2,247,507)	(991,316)
Total comprehensive loss attributable to members of the parent entity		(2,247,507)	(991,316)
		Cents	**Cents**
Loss per share from continuing operations attributable to the ordinary equity holders of the Company			
Basic loss per share	5	(0.075)	(0.05)
Diluted loss per share	5	(0.075)	(0.05)

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 2022

For personal use only

	Note	2022 $	2021 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	27,127,889	1,631,104
Trade and other receivables	7	298,344	50,721
Total Current Assets		27,426,233	1,681,825
Non-Current Assets			
Trade and other receivables	7	340,902	259,403
Plant and equipment	8	70,740	28,265
Exploration and evaluation expenditure	9	16,753,899	11,845,947
Total Non-Current Assets		17,165,540	12,133,615
Total Assets		44,591,772	13,815,440
LIABILITIES			
Current Liabilities			
Trade and other payables	10	312,304	191,199
Total Current Liabilities		312,304	191,199
Non-Current Liabilities			
Provisions	11	278,406	278,406
Total Non-Current Liabilities		278,406	278,406
Total Liabilities		590,712	469,605
Net Assets		44,001,061	13,345,835
EQUITY			
Contributed equity	12	72,303,961	39,534,274
Reserves		141,294	8,247
Accumulated losses		(28,444,193)	(26,196,686)
Total Equity		44,001,061	13,345,835

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 2022

	Note	Contributed Equity $	Options Reserve $	Accumulated Losses $	Total $
Balance as at 1 July 2020		33,834,239	9,704	(25,216,610)	8,627,333
Total comprehensive loss for the year		-	-	(991,316)	(991,316)
Transactions with owners in their capacity as owners					
Equity contributions (net)		5,683,025	-	-	5,683,025
Share options – expired			(11,240)	11,240	-
Share options – exercised		17,010	(17,010)	-	-
Share options – value of expense		-	26,793	-	26,793
Balance as at 30 June 2021		39,534,274	8,247	(26,196,686)	13,345,835
Total comprehensive loss for the year		-	-	(2,247,507)	(2,247,507)
Transactions with owners in their capacity as owners					
Equity contributions (net)		32,769,687	-	-	32,769,687
Share options – value of expense		-	133,047	-	133,047
Balance at 30 June 2022		72,303,961	141,294	(28,444,193)	44,001,061

The accompanying notes form part of these financial statements.

For personal use only

ALLIGATOR ENERGY LIMITED
AND CONTROLLED ENTITIES
ACN 140 575 604

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $ Inflows / (Outflows)	2021 $ Inflows / (Outflows)
Cash flows from operating activities			
Interest received		32,301	3,146
Payments to suppliers		(1,729,862)	(792,931)
Net cash inflow(outflow) from operating activities	17	(1,697,561)	(789,785)
Cash flows from investing activities			
Payments for exploration expenditure		(2,872,903)	(635,412)
SA Government ADI grant receipt		129,537	-
(Payments for)/receipts from security deposits		(81,503)	-
Payments for purchase of plant & equipment		(57,481)	-
Samphire Project acquisition costs		-	(63,562)
Payments for 12-month Project option purchase		(75,000)	-
Cash acquired as part of the Samphire Project transaction		-	642,948
Net cash inflow(outflow) from investing activities		(2,957,350)	(56,026)
Cash flows from financing activities			
Proceeds from capital raising		31,678,211	1,695,208
Payment of capital raising costs	12	(1,526,516)	(122,242)
Net cash inflow(outflow) from financing activities		30,151,695	1,572,966
Net increase (decrease) in cash held		25,496,784	727,155
Cash at beginning of financial year		1,631,105	903,949
Cash at end of financial year	6	27,127,889	1,631,104

The accompanying notes form part of these financial statements.

For personal use only

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

For personal use only

These consolidated financial statements and notes represent those of Alligator Energy Limited (the "Company") and its 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 29 September 2022 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.

The impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity have been assessed based on known information and adjustments to carrying values recorded, if any, or note disclosures made as applicable.

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 $2,247,507 (2021: $991,316), and recorded net cash outflows from operating and investing activities of $4,654,911 (2021: $845,811). The cash balance at 30 June 2022 was $27,127,889 (2021: $1,631,104).

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 exploration and evaluation activities on a going concern basis over the twelve-month period from signing this financial report. The Directors are therefore confident that the Group is a going concern and is therefore able to pay its debts as and when they fall due and payable.

For personal use only

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 profit or loss and other 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.

For personal use only

Note 1 Summary of Significant Accounting Policies (continued)

b. Income Tax (continued)

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.

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. Plant and Equipment

Each class of 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

For personal use only

Note 1 Summary of Significant Accounting Policies (continued)

c. Plant and Equipment (continued)

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 profit and loss and other 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.

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 Evaluation Expenditure

Exploration and evaluation 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

For personal use only

Note 1 Summary of Significant Accounting Policies (continued)

d. Exploration and Development Expenditure (continued)

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

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease based on the right to use or control an identified asset for a period of time, in exchange for a consideration. At the commencement of the lease the Group recognises a lease liability and a corresponding right of use asset. The lease liability is initially recognised at the present value of non-cancellable lease payments discounted using the interest rate implicit in the lease or, if this cannot be readily determined, the incremental borrowing rate for the Group. The right of use asset is initially measured at the cost which comprises the initial amount of the lease liability plus initial direct costs incurred.

The right of use asset is depreciated to the earlier of the asset's useful life or the lease term using the straight line method and is recognised in the statement of comprehensive income in depreciation and amortisation. Where the lease transfers ownership of the underlying asset to the Group by the end of the lease term, the right of use asset is depreciated from the commencement date to the end of the useful life of the underlying asset. The unwinding of the financial charge on the lease liability is recognised in the statement of comprehensive income in financial expenses.

The Group does not recognise leases that have a lease term of 12 months or less, or are of low value, as a right of use asset or lease liability. Lease payments associated with these leases are recognised as an expense in the consolidated statement of comprehensive income in operating expenses on a straight line basis over the lease term.

f. Financial Instruments

Recognition and initial measurement

Financial instruments (except for trade receivables) 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. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

For personal use only

Note 1 Summary of Significant Accounting Policies (continued)

f. Financial Instruments (continued)

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

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 (i.e. trade date accounting is adopted).

Classification and subsequent measurement
Financial liabilities
Financial instruments are subsequently measured at:
- amortised cost; or
- fair value through profit or loss.

Financial liability is measured at fair value through profit and loss if the financial liability is:
- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.
A financial liability is held for trading if:
- it is incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship are recognised in profit or loss.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and are not subsequently reclassified to profit or loss. Instead, they are transferred to retained earnings upon derecognition of the financial liability.

For personal use only

Note 1 Summary of Significant Accounting Policies (continued)

f. Financial Instruments (continued)

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:
- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:
- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:
- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Group initially designates a financial instrument as measured at fair value through profit or loss if:
- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;

Note 1 Summary of Significant Accounting Policies (continued)

f. Financial Instruments (continued)

- it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Derecognition
Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities
A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets
A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:
- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (ie the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

For personal use only

For personal use only

Note 1 Summary of Significant Accounting Policies (continued)

f. Financial Instruments (continued)

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The Group recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amounts due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Recognition of expected credit losses in financial statements

At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

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.

For personal use only

Note 1 Summary of Significant Accounting Policies (continued)

g. Impairment of Assets (continued)

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 (e.g. 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.

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 in trade and other payables in the statement of financial position.

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.

For personal use only

Note 1 Summary of Significant Accounting Policies (continued)

h. Employee Benefits (continued)

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 10% 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.

Provisions are measured using the best estimate of the amounts required to settle the obligation at 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 three months or less.

k. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable and recognised at the time where there is a change of control in the mineable product to the customer.

For personal use only

Note 1 Summary of Significant Accounting Policies (continued)

k. Revenue and Other Income (continued)

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 liabilities for goods and services received by the Group 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. Foreign Currency Translation

The financial statements are presented in Australian dollars, which is Alligator Energy Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Note 1 Summary of Significant Accounting Policies (continued)

o. Foreign Currency Translation (continued)

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

p. Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

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.

For personal use only

For personal use only

Note 1 Summary of Significant Accounting Policies (continued)

q. Site Rehabilitation (continued)

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. Issued Capital

Ordinary shares are classified as equity.

s. 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.

t. New Accounting Standards and Interpretations

In the current year, there were no new or revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that were relevant to the Group’s operations and effective for the current year.

u. New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2022.

For personal use only

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

The Group has capitalised exploration expenditure of $16,753,899 (30 June 2021: 11,845,947). 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.

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 Industry, Tourism and Trade in the Northern Territory and the Department of Energy and Mines.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

For personal use only

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. The geographical segments (for potential revenue on successful development) include segments in both Australia and Italy.

The geographical location of assets is disclosed below:

	2022	**2021**
	$	**$**
Australia		
-Current assets	27,402,533	1,674,742
-Property, plant & equipment	70,740	28,265
-Other non-current assets	340,901	259,403
-Capitalised exploration expenditure	16,042,441	11,295,896
	43,856,514	13,258,306
Italy		
-Current assets	23,800	7,083
-Property, plant & equipment	-	-
-Other non-current assets	-	-
-Capitalised exploration expenditure	711,458	550,051
	735,258	557,134
Total		
-Current assets	27,426,333	1,681,825
-Property, plant & equipment	70,740	28,265
-Other non-current assets	340,901	259,403
-Capitalised exploration expenditure	16,753,899	11,845,947
	44,591,772	13,815,440

The basis of accounting adopted by both geographic segments is consistent with Group policies.

The only geographic segment revenue during the period related to interest and other income and was generated solely by the Australian segment. The interest free intercompany loan between Australia and Italy totalling $745,260 (2021: $562,524) which is denominated in AUD has been eliminated in the above disclosure. At 30 June 2022 the liabilities of the Italian entity excluding the intercompany loan totalled $5,016 (2021: $2,690). There was no interest income derived from the Italian segment during the financial year and there were no employees in the Italian segment at the end of the financial year.

For personal use only

Note 4 Dividend

No dividend has been paid during the year ended 30 June 2022 (2021: nil) and none is proposed.

Note 5 Earnings Per Share

	2022 Cents	2021 Cents
a. Basic earnings per share		
Loss attributable to the ordinary equity holders of the company	(0.075)	(0.05)
b. Diluted earnings per share		
Loss attributable to the ordinary equity holders of the company	(0.075)	(0.05)

	2022 $	2021 $
c. Reconciliations of earnings used in calculation earnings per share		
Basic earnings per share		
Profit (loss) attributable to ordinary equity holders of the Company used in calculating basic earnings per share	(2,247,507)	(991,316)
Diluted earnings per share		
Profit (loss) attributable to ordinary equity holders of the Company used in calculating basic earnings per share	(2,247,507)	(991,316)

	2022 Number	2021 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	3,003,404,915	2,061,154,866
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	3,003,404,915	2,061,154,866

Earnings per share

Basic earnings per share - Basic earnings per share is calculated by dividing the profit attributable to the owners of Alligator Energy Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

For personal use only

Note 5 Earnings Per Share (continued)

Diluted earnings per share - Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 6 Current Assets – Cash and Cash Equivalents

	2022	2021
	$	$
Cash at bank and in hand	5,118,668	731,104
Term deposits	22,009,221	900,000
	27,127,889	1,631,104

The effective interest rate on term deposits was 1.73% (2021: 0.16%). The term deposits are regarded as cash or cash equivalents as they are short-term (12 months or less) in nature and can be readily accessed, if needed, with a penalty being applied to the applicable interest rate.

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:

Cash and cash equivalents	27,127,889	1,631,104

Note 7 Trade and other receivables

Current		
GST receivable	113,377	36,263
Other receivables	184,967	14,458
	298,344	50,721
Non-Current		
Security deposits	340,901	259,403

Expected credit loss

The Group applies the simplified approach to providing for expected credit losses prescribed by AASB 9 which permits the use of the lifetime expected loss provision. To measure the expected credit losses, receivables have been grouped based on shared credit risk characteristics and days past due. No loss allowance provision was determined as at 30 June 2022.

For personal use only

Note 8 Non-current assets –Plant & Equipment

Plant & Equipment – at cost	723,461	665,980
Accumulated depreciation	(652,721)	(637,715)
	70,740	28,265
Carrying value at beginning of financial year	28,265	17,210
Additions	57,481	25,000
Disposals / written off		-
Depreciation expensed	(3,222)	(5,676)
Depreciation capitalised to exploration expenditure	(11,784)	(8,269)
Carrying value at end of financial year	70,740	28,265

Note 9 Non-current assets – Exploration and Expenditure

	2022 $	2021 $
Exploration & Evaluation phase costs		
Geological, geophysical, drilling and other expenditure – at cost	16,753,899	11,845,947

The capitalised exploration and evaluation expenditure carried forward above has been determined as follows:

Opening balance	11,845,947	7,917,262
Expenditure incurred or tenements acquired during the period	2,936,210	510,941
Acquisition of the Samphire Project (*)	646,579	3,441,246
Acquisition of the Big Lake Project (**)	1,560,000	-
ADI Grant receipt	(129,537)	-
Impairment write-off – Piedmont	-	(23,502)
Exploration and evaluation costs expensed	(180,300)	-
CRP	75,000	-
	16,753,899	11,845,947

*On 4 October 2020, Alligator issued 679,561,608 fully paid ordinary shares to acquire 100% of S Uranium Pty Ltd (SUPL) the holder of EL 5926 (*Samphire Project). At the date of acquisition SUPL also held a cash balance of $642,949. On 22 September 2021, Alligator issued 7,105,263 fully paid ordinary shares to acquire EL 6350 which lies adjacent to EL 5926 and now forms part of the overall Project.

**On 21 December 2021, Alligator exercised the right to acquire 100% of the Big Lake Uranium Project (**) under a farm-in and sale agreement with the shareholders of Big Lake Uranium Pty Ltd (see Note 12 for further detail)

For personal use only

Note 9 Non-current assets – Exploration Expenditure (continued)

A six-monthly assessment of the carrying value of the capitalised exploration and evaluation expenditure for all project areas of interest is conducted. No impairment adjustment was required when performing the carrying value review for the year ended 30 June 2022.

Expenditures incurred on maintaining the Group's ARUP tenements in good standing including rentals, royalties, weed management and compliance reporting costs totalling $180,300 for the year ended 30 June 2022 (2021: $67,248) have been expensed to the Consolidated Statement of Profit and Loss during the period.

Note 10 Current Liabilities – Trade and Other Payables

Trade and other payables	168,507	75,189
Accrued expenses	60,449	66,859
Employee entitlements	83,348	49,151
	312,304	191,199

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

Note 11 Non-Current Liabilities – Provisions

Site restoration	278,406	278,406
	278,406	278,406

Note 12 Contributed Equity and Reserves

a. Ordinary Shares

	2022 Shares	2022 $	2021 Shares	2021 $
Ordinary shares fully paid	3,300,096,444	72,303,961	2,368,079,299	39,534,274

For personal use only

Note 12 Contributed Equity and Reserves (continued)

Movement of ordinary share capital are as follows:

Date	Details	Number of shares	Issue Price $	$
1 July 2020	**Balance**	**1,438,429,342**		**33,834,239**
7 Oct 2020	Samphire Transaction	679,561,608	0.006	4,045,620
7 Oct 2020	Directors' Fee Plan	5,309,868	0.005	27,563
4 Dec 2020	Unlisted Option conversion	4,000,000	0.005	20,000
21 Dec 2020	Placement	226,692,142	0.007	1,586,845
	Capital raising costs			(122,242)
14 Jan 2021	Directors' Fee Plan	2,425,272	0.009	22,313
23 April 2021	Directors' Fee Plan	910,156	0.016	14,562
23 April 2021	Performance option vesting	4,860,000	0.004	17,010
17 May 2021	Listed AGEOB Option conv	2,125,000	0.015	31,875
4 June 2021	Listed AGEOB Option conv	3,765,911	0.015	56,489
30 June 2021	**Balance**	**2,368,079,299**		**39,534,274**
2 July 2021	Traxys agency agreement	18,979,412	0.017	322,650
2 July 2022	Consulting Services	535,714	0.028	15,000
2 July 2022	Directors' Fee Plan	438,462	0.039	17,100
9 Aug 2021	Placement	395,540,774	0.027	10,690,008
9 Aug 2021	Capital raising costs			(731,023)
16 Sep 2021	Listed options exercise	456,667	0.015	6,850
16 Sep 2021	FY 21 performance share award	2,559,380	0.028	71,663
16 Sep 2021	Consulting Services	483,871	0.031	15,000

For personal use only

Note 12 Contributed Equity and Reserves (continued)

a. Ordinary Shares (continued)

Date	Details	Number of shares	Issue Price $	$
22 Sep 2021	Tenement purchase- Samphire Project	7,105,263	0.091	646,579
11 Oct 2021	Placement	176,000,000	0.063	11,000,000
11 Oct 2021	Listed options exercise	5,212,871	0.015	78,193
11 Oct 2021	Capital raising costs			(749,418)
20 Oct 2021	Listed options exercise	8,280,233	0.015	124,203
27 Oct 2021	Listed options exercise	8,315,111	0.015	124,727
29 Oct 2021	Listed options exercise	8,006,984	0.015	120,105
31 Oct 2021	Capital raising costs			(6,480)
15 Nov 2021	Bonus options exercise	7,776,442	0.045	349,940
17 Nov 2021	Capital raising costs			(2,656)
23 Nov 2021	Bonus options exercise	12,905,069	0.045	580,728
23 Nov 2021	Capital raising costs			(3,762)
29 Nov 2021	Bonus options exercise	10,693,231	0.045	481,195
30 Nov 2021	Bonus options exercise	745,500	0.045	11,183
2 Dec 2021	Capital raising costs			(3,395)
10 Dec 2021	Bonus options exercise	3,529,641	0.045	158,834
21 Dec 2021	Performance Share convert	30,000,000	0.051	1,530,000
22 Dec 2021	Bonus options exercise	1,446,989	0.045	65,115
14 Jan 2022	Bonus options exercise	20,690,861	0.045	931,089
21 Jan 2022	Bonus options exercise	65,651,664	0.045	2,954,325
21 Jan 2022	Listed options exercise	50,000	0.015	750
28 Jan 2022	Bonus options exercise	32,884,510	0.045	1,479,803
31 Jan 2022	Capital raising costs			(17,409)
2 Feb 2022	Bonus options exercise	27,174,523	0.045	1,222,854
11 Feb 2022	Capital raising costs			(12,372)
17 Feb 2022	Listed options exercise	3,417,891	0.015	51,268
24 Feb 2022	Listed options exercise	605,071	0.015	9,076
11 Mar 2022	Listed options exercise	300,000	0.015	4,500
22 Mar 2022	Listed options exercise	1,193,679	0.015	17,905
1 April 2022	Listed options exercise	1,489,000	0.015	22,335
7 April 2022	Listed options exercise	5,065,000	0.015	75,975
14 April 2022	Listed options exercise	2,162,263	0.015	32,434
28 April 2022	Listed options exercise	1,420,000	0.015	21,300
10 May 2022	Listed options exercise	1,509,037	0.015	22,636

Note 12 Contributed Equity and Reserves (continued)

a. Ordinary Shares (continued)

Date	Details	Number of shares	Issue Price $	$
19 May 2022	Listed options exercise	2,447,700	0.015	36,716
27 May 2022	Listed options exercise	1,653,288	0.015	24,799
2 June 2022	Listed options exercise	2,791,881	0.015	41,878
9 June 2022	Listed options exercise	5,367,769	0.015	80,517
20 June 2022	Listed options exercise	4,087,726	0.015	61,316
27 June 2022	Listed options exercise	53,043,668	0.015	795,655
30 June 2022	**Balance**	**3,300,096,444**		**72,303,961**

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.

b. Share Options

	2022 Number	2022 Weighted Average Exercise Price	2021 Number	2021 Weighted Average Exercise Price
On issue at beginning of year	139,105,177	$0.013	148,000,000	$0.004
Options issued during year – listed	-	-	125,846,088	$0.015
Options issued during year – unlisted	142,070,150	$0.075	10,800,000	$0.00
Options cancelled during year	(2,333,838)	$0.015	(130,790,000)	$0.005
Options exercised during yr - listed	(117,621,339)	$0.015	(5,890,911)	$0.015
Options exercised during yr - unlisted	-	-	(8,860,000)	$0.002
On issue at end of financial year	161,220,150	$0.066	139,105,177	$0.013

On 24 December 2020 the Company completed a share placement to sophisticated and professional investors announced to the ASX on 21 December 2020. The terms of the placement included 1 attaching listed share option for every 2 new fully paid ordinary shares issued.

For personal use only

For personal use only

Note 12 Contributed Equity and Reserves (continued)

b. Share Options (continued)

The listed share options trade under the ASX Code: AGEOB and were subject to an exercise price of $0.015 and expired on 24 June 2022. During the financial year, holders of 117,621,339 AGEOB listed options lodged exercise notices and paid the exercise price raising $1,764,320. At the date of expiry of these options on 24 June 2022, 2,333,838 options had not been exercised and consequently lapsed.

At 30 June 2022 the Company had 161,220,150 (2021: 19,150,000) unlisted options on issue under the following terms and conditions:

Number Under Option	Expiry Date(s)	Exercise Price
13,750,000	19 July 22	(i)
5,400,000	1 April 23	(ii)
3,019,695	31 Aug 22/30 June 24	(iii)
2,184,353	30 Sept 22/1 Sept 24	(iv)
3,611,557	31 Mar 23/31 Mar 25	(v)
1,254,545	2 July 2022	(vi)

Options exercisable as at 30 June 2022	132,000,000
Options exercisable as at 30 June 2021	119,955,177

At 30 June 2022 and 30 June 2021, none of the unlisted employee incentive options had met the performance conditions and vested and were consequently not exercisable.

The weighted average remaining contractual life of options (listed and unlisted) outstanding at year-end was years 2.92 years (2021: 1.02 years).

Issues during the year:
On 26 November 2021, Shareholders approved the grant of short and long-term incentives under the Company's performance incentive plan under the extension of the CEO employment contract. The grant of the performance incentives comprised a total of 727,983 short-term and 1,456,370 long-term performance options on a zero-strike priced basis. These options were issued on 1 December 2021.

On 14 October 2021 the Company announced a Loyalty (Bonus) Option issue to eligible shareholders at a record date of 29 October 2021 on a one for ten basis with an exercise price of $0.045 and an expiry date of 1 February 2022. The Company issued 272.4M Bonus Options under a prospectus issued for this purpose and at the time of expiry 182.8M options had been exercised raising $8.2M.

For personal use only

Note 12 Contributed Equity and Reserves (continued)

b. Share Options (continued)

On 14 October 2021 the Company also completed a share placement to sophisticated and professional investors announced to the ASX on 4 October 2021. The terms of the placement included three attaching premium priced options per four new shares exercisable at 8.1 cents at any time on or before 1 December 2025. A total of 132,000,000 8.1 cent unlisted options were issued.

The following option tranches outstanding at 30 June 2022 have vesting conditions as follows:

(i)-13,750,000 zero strike priced options expiring on 19 July 2022 issued under the amended Employee Share Option Plan approved by shareholders on 21 November 2014 in relation to the long-term incentive for the 2019 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 number of options granted was based on approx. 30% for the CEO and 10% for employees and contractors of the estimated annual cost for these personnel.

(ii)-5,400,000 zero strike priced options expiring on 1 April 2023 issued under the amended Employee Share Option Plan approved by shareholders on 21 November 2014 in relation to the long- term incentive under the CEO Employment Contract. These options were approved by Shareholders at the 2020 AGM and only vest based on criteria linked to the commencement of resource drilling on a significant discovery or a change of shareholding control.

(iii)-3,019,695 zero strike priced options expiring on either 31 August 2022 (short-term) or 30 June 2024 (long term) issued under the amended Employee Share Option Plan approved by shareholders on 29 June 2021 in relation to FY22. These options were issued to staff and contractors only vest based on achievement of short term KPIs or long-term criteria linked to the commencement of resource drilling on a significant discovery, Samphire project milestones or a total shareholder return assessment. The number of options granted was based on approx. 15% of employees and contractors of the estimated annual cost for these personnel.

(iv)- 2,184,353 zero strike priced options expiring on either 30 September 2022 (short-term) or 1 September 2024 (long term) issued under the amended Employee Share Option Plan approved by shareholders on 29 June 2021 in relation to FY22. These options were issued to the CEO and only vest based on achievement of short term KPIs or long-term criteria linked to the commencement of resource drilling on a significant discovery, Samphire project milestones or a total shareholder return assessment. The number of options granted was based on approx. 25-50% of the annual remuneration exclusive of superannuation.

(v) 3,611,557 zero strike priced options expiring on either 31 March 2023 (short-term) or 31 March 2025 (long term) issued under the amended Employee Share Option Plan approved by shareholders on 29 June 2021 in relation to FY22 or FY23.

For personal use only

Note 12 Contributed Equity and Reserves (continued)

b. Share Options (continued)

These options were issued to the newly appointed COO and only vest based on achievement of short term KPIs or long-term criteria linked to the commencement of resource drilling on a significant discovery, Samphire project milestones or a total shareholder return assessment. The number of options granted was based on either 40% (short-term) or 50% (long-term) of employee's annual cost.

(vi) 1,254,545 zero strike priced options vesting on 2 July 2022 issued to Non-executive Directors on approval of Shareholders at an EGM held on 29 June 2021. The options were issued in lieu of forgone director fees in prior periods and the only vesting condition was continued service.

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. Performance Shares

The Company issued 60,000,000 Performance Shares on 5 December 2019. The Performance Shares convert into one (1) fully paid ordinary share, subject to satisfaction of each milestone applicable to the relevant tranche of Performance Shares on the date specified in the Milestone applicable to the relevant Performance Share:

- 30,000,000 Acquisition Performance Shares: on completion of the farm-in work program, expending at least $220,000, and Alligator electing to acquire all of the shares in Big Lake Uranium Pty Ltd (BLU) before 31 December 2021 (extended from 21 July 2021 on approval of Shareholders at an EGM held on 29 June 2021); and
- 30,000,000 Contingent Consideration/Discovery Performance Shares: on discovery and definition of a JORC compliant Inferred Resource of 25 million lbs U3O8 at 1,000ppm uranium or greater on the Big Lake Uranium Project within five (5) years.

In December 2021 the Company satisfied the first milestone and elected to convert the Acquisition Performance Shares to fully paid ordinary shares as consideration for acquiring 100% in Big Lake Uranium Pty Ltd the holder of EL6367.

Summary of the key terms and conditions of the Performance Shares:

The Performance Shares are not quoted, are not transferable and do not confer any right to vote, except as otherwise required by law.

The Performance Shares do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues.

For personal use only

Note 12 Contributed Equity and Reserves (continued)

d. Performance Shares (continued)

The Performance Shares do not carry an entitlement to a dividend, do not permit the holder to participate in a return of capital, whether in a winding up, upon a reduction of capital or otherwise and do not carry an entitlement to participate in the surplus profit or assets of the Company upon winding up of the Company.

If the milestones for a class of Performance Share are not achieved by the relevant expiry date, then each Performance Share will be consolidated into one share only (Automatic Conversion). The Milestones may only be amended with approval of Shareholders in General Meeting and a voting exclusion statement applies in relation to any holder of Performance Shares.

The Performance Shares were issued for no consideration.

The value of the Performance Shares allotted are measured when milestones have been met and conversion to Fully Paid Ordinary Shares has occurred.

e. Directors' Fee Plan

In prior years the Directors adopted a Director's Fee Plan (Fee Plan) in lieu of taking remuneration payments in cash. The objective of the Plan was to conserve cash-flow for exploration related activities. The Fee Plan was in operation from December 2013 on the basis of an annual approval by Shareholders. The Fee Plan operated on a quarterly election basis where all or part of the remuneration entitlements for that quarter could be converted into shares at the weighted average share price for the last thirty business days leading up to the end of the quarter.

The Directors elected not to renew the Fee Plan at the November 2021 AGM due to the more favourable operating environment for funding exploration and corporate activities. In relation to the financial year ended 30 June 2022 438,462 (2021: 8,645,296) fully paid ordinary shares were issued in lieu of directors' remuneration payments of $17,100 (2021: $64,438).

f. Capital Risk Management

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

For personal use only

Note 12 Contributed Equity and Reserves (continued)

f. Capital Risk Management (continued)

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 2022 totals $nil (2021: $nil). The Group will continue to use capital market raisings to satisfy anticipated funding requirements.

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 9: Financial Instruments as detailed in the accounting policies, are as follows:

	Note	Consolidated Group	
		2022	2021
		$	$
Financial assets			
Cash and cash equivalents	6	27,127,889	1,631,104
Trade and other receivables	7	639,245	310,125
Total financial assets		**27,767,134**	**1,941,229**
Financial Liabilities			
Trade and other payables	10	312,304	191,199
Total financial liabilities		**312,304**	**191,199**

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. 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.

For personal use only

Note 13 Financial Risk Management (continued)

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	
		2022	**2021**
		$	**$**
Cash and cash equivalents: - AA rated	6	27,127,889	1,631,104

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.

For personal use only

Note 13 Financial Risk Management (continued)

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 Group'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
2022						
Financial assets						
Cash at bank				1,544,887	1,544,887	-
Cash at bank	3,521,917				3,521,917	0.20%
Term deposits		12,009,221			12,009,221	3.17%
Term deposits		10,000,000			10,000,000	0.29%
Receivables				298,344		
Financial Liabilities						
Trade creditors and accruals				(312,304)		
2021						
Financial assets						
Cash at bank	-	-	-	96,935	96,935	-
Cash at bank	633,699	-	-	-	633,699	0.014%
Term deposits	-	900,000	-	-	900,000	0.16%
Receivables	-	-	-	310,125	-	-
Financial Liabilities						
Trade creditors and accruals	-	-	-	(191,199)	-	-

For personal use only

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 $
2022			
Interest bearing cash	25,531,138	255,311	255,311
2021			
Interest bearing cash	1,533,699	15,337	15,337

d. Foreign currency risk

Exposure to foreign currency risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

With instruments being held by overseas operations, fluctuations in the Euro may impact on the Group's financial results. The foreign currency risk in the books of the Parent Entity is considered immaterial at 30 June 2022 and is therefore not shown.

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	
	2022	**2021**
	$	**$**
Remuneration of the auditor of the parent entity for:		
- Auditing or reviewing the financial statements	37,729	35,500

For personal use only

Note 15 Contingencies

To the best knowledge of the board the Group had no material contingent liabilities at year end (2021: nil).

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 (%) ***	
		2022	**2021**
TCC Project Pty Ltd	Australia	98%	98%
Northern Prospector Pty Ltd	Australia	100%	100%
AGE EV Minerals Pty Ltd	Australia	100%	100%
AGE EV Minerale S.r.l (**)	Italy	100%	100%
S Uranium Pty Ltd	Australia	100%	100%
Big Lake Uranium Pty Ltd	Australia	100%	-

* Percentage of voting power is in proportion to ownership

** Incorporation registered on 12 June 2018 as a wholly owned subsidiary of AGE EV Minerals Pty Ltd

b. Acquisition of Controlled Entities

The only acquisition during the year ended 30 June 2022 was Big Lake Uranium Pty Ltd for a total consideration of $1,530,000 (exclusive of $30,000 agreement extension payment). The Company held a cash balance of $200, the Big Lake exploration licence 6367 in the Copper Basin, South Australia and had no liabilities at the date of acquisition.

For personal use only

Note 17 Cash Flow Information

	Consolidated	
	2022	**2021**
	$	**$**
Reconciliation of Cash Flow from Operations with Loss after Income Tax		
Loss after income tax	(2,247,507)	(991,316)
Non-cash flows in loss:		
- depreciation	3,222	5,676
- share based payment expenses	204,710	26,793
- exploration and evaluation	180,300	90,750
- Traxys Marketing Fee amortisation	188,212	-
- other – Director fees/consultants issued in shares	47,100	64,438
Changes in assets and liabilities;		
- (increase)/decrease in trade and term receivables	(35,496)	(7,147)
- increase/(decrease) in trade payables and accruals	(48,361)	(22,935)
- increase/(decrease) in provisions	10,259	43,956
Cash flow from operations	(1,697,561)	(789,785)

For personal use only

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 2022.

	2022	2021
	$	$
Short-term employee benefits	640,608	349,345
Post-employment benefits	47,640	22,716
Share based payments	134,906	95,285
Other long-term benefits	-	-
	823,154	467,345

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 or applied for under the Fee Plan.

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

For personal use only

Note 19 Share Based Payments

Grants under the performance incentive scheme

Shareholder approval in accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11, was obtained at the 2021 AGM for the grant of 727,983 short-term and 1,456,370 long-term zero strike priced performance options to Greg Hall in his capacity as CEO for the 12 months commencing 1 September 2021.

In August 2021 the Board approved a FY 21 performance incentive award in the form of fully paid ordinary shares in the Company to four employees or contractors totalling 2,558,380 fully paid ordinary shares with an assessed value at the time of issue of $71,663.

During the financial year the Board approved three separate performance option grants to employees and contractors for FY22 or in the case of the CEO and the COO for the twelve-month period from the anniversary or commencement of services with the Company. The total zero strike priced performance option award during the year in short (12 months) and long term (three years) options was 10,070,150.

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

	Grant/Issue Date	Number
2021	26 Nov 2020	10,800,000
2022	10 Sept 2021	769,230
2022	1 Dec 2021	2,184,353
2022	31 March 2022	3,611,557

The options issued will only vest if certain performance criteria are met. 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 2022 and 2021 in Note 12 (a). Included under Directors' Fees expense of $183,592 (2021: $167,535 in the Consolidated Statement of Profit or Loss and Other Comprehensive Income) there are $17,100 equity settled share-based payments transactions (2021: $64,438). At 30 June 2022 there were no outstanding Fee Plan applications (2021: $17,100).

Note 19 Share Based Payments (continued)

<u>Shareholder approval of grant of zero strike priced options to Non-Executive Directors</u>

At an EGM held on 29 June 2021, Shareholders approved the issue of 1,254,545 zero strike priced options to Non-Executive Directors in lieu of fee related sacrifices between 1 October 2019 and 31 March 2021 together with an increased workload from mid-2020 associated with the Samphire Project and other corporate initiatives. The zero strike priced options (ZSOPs) had a one-year vesting period and the number was based on 25% of the Existing Annual Fee for the respective Non-Executive Directors and the 30 Business Day VWAP on the day before finalising the EGM Notice of Meeting. The ZSPOs all vested and were converted to fully paid ordinary shares in July 2022.

For personal use only

Note 20 Income Tax

	Consolidated 2022 $	Consolidated 2021 $
a. Numerical reconciliation of income tax expense / (income) to prima facie tax payable:		
Total profit/(loss) before income tax	(2,247,507)	(991,316)
Tax at the Australian tax rate of 25% (2021: 26%)	(561,877)	(257,742)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share-based payments	55,453	23,720
Other	46,503	7,247
	(459,921)	(226,775)
Net adjustment to deferred tax assets and liabilities for tax losses and temporary differences not recognised	459,921	226,775
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	2,533,693	1,798,174
Other	-	-
Total	2,533,693	1,798,174
Set-off of deferred tax liabilities pursuant to set-off provisions	(2,533,693)	(1,798,174)
Net deferred tax liabilities	-	-

For personal use only

For personal use only

Note 20 Income Tax (continued)

	Consolidated 2022 $	Consolidated 2021 $
d. Deferred tax assets:		
The balance comprises temporary differences attributable to:		
Tax losses	7,695,591	5,873,394
Accruals and provisions	39,972	18,287
Business capital costs	103,178	67,785
Total deferred tax assets	7,838,741	5,959,466
Set-off of deferred tax assets pursuant to set-off provisions	(2,533,693)	(1,798,174)
Net adjustment to deferred tax assets for tax losses not recognised	(5,305,048)	(4,161,292)
Net deferred tax assets	-	-
e. Tax losses:		
Unused tax losses for which no deferred tax asset has been recognised	21,220,192	16,004,969
	21,220,192	16,004,969
Potential tax effect at 25% (2021 : 26%)	5,305,048	4,161,292

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 Company did not receive any Junior Miner Exploration Incentive (JMEI) Scheme credits for distribution to providers of fresh equity in the 2021-22 tax year (2020-21 tax year: nil).

For personal use only

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 2022. 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.

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 2022, are as follows:

	2022	2021
Exploration expenditure commitments payable:	$	$
- within one year	513,643	282,964
- later than one year but not later than five years	49,856	144,500
- later than five years	-	-
	563,499	427,464
Royalties	97,900	67,900
Farm-in expenditure (Piedmont Project)	157,810*	238,319*

* - relates to amount still to be expended before 6 April 2023 to complete the Phase 2 commitment and to form the joint venture.

Minimum expenditure covenants under the Department of Primary Industries and Resources Guidelines (Northern Territory) must be based on realistic and practical work programs and proposed expenditure levels.

For personal use only

Note 21 Commitments (continued)

Exploration commitments (continued)

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 or on agreement with the Department including certain relaxation during the COVID 19 pandemic. The exploration expenditure commitments set out above include expenditure covenants submitted for the 2022/2023 financial year totalling $114,500 (2021/22: $100,500).

The Department of Mines in Energy Limited (South Australia) currently has a formula driven minimum exploration expenditure based on a two-year expenditure covenant. Where the covenant is not met the explorer is required to relinquish a portion of the tenement. The exploration covenants for the Big Lake tenement for a two-year period from July 2021 is $160,000 and the combined covenant for the Samphire Project licence from March and November 2021 is $180,000.

Cash security bonds totalling $282,764 (2021: $257,743) were held by the relevant governing authorities at 30 June 2022 to ensure compliance with granted tenement conditions.

The Group has lodged a cash backed bank guarantee of $40,000 (as a security bond) (2021: $40,000) with the Northern Land Council in relation to its interest in the Beatrice Project.

Piedmont Project - CRP Farm-in and Joint Venture

On 28 November 2018, the Company signed a Farm-in Agreement with Chris Reindler and Partners (CRP) to earn up to a 70% interest in four mineral titles in northern Italy.

The principal remaining commitment under the agreement after completing Phase 1 in November 2018 is to solely fund and manage a further $400,000 program of work (Phase 2) which will include a geophysics program (previously drill testing of the best target(s)). Due to travel restrictions associated with COVID 19 the parties agreed to extend the timeframe for completing the Phase 2 work program to 7 April 2023. Alligator also agreed to fund all tenement related costs on a 100% basis.

Alligator can withdraw from the Phase 2 work program at any time at its sole election. If Alligator does not complete the Phase 2 work program, it will have earned no interest and will have no further rights in the mineral titles.

Upon Alligator completing the Phase 2 work program and earning a 51% interest in the titles, a joint venture will be formed and 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.

For personal use only

Note 21 Commitments (continued)

Piedmont Project - CRP Farm-in and Joint Venture (continued)

In May 2022 the Company formalised a twelve-month option, which can be exercised at any time during a 12-month period, to acquire 100% interest in the three Exploration Licences that form part of the Piedmont Farm-in and JV. On approval by Piedmont regulatory authorities an agreed purchase consideration of $350,000 (in a mix of cash and shares) becomes payable and a 1% Net Smelter Royalty (NSR) is granted based on future production from the Alpe Laghetto Exploration Licence area.

Big Lake Uranium Project – Farm-in and Share Sale

Alligator finalised a farm-in and share sale agreement for the Big Lake Uranium (BLU) project in the Cooper Basin region of South Australia in late 2019. After completing the farm-in expenditure during 2021 the Company elected in December 2021 to acquire Big Lake Uranium Pty Ltd, the tenement holder, by converting 30,000,000 Acquisition Performance Shares into fully paid ordinary shares on a one for one basis (see Note 12 (d)).

The Company has also issued 30,000,000 Contingent Consideration/Discovery Performance Shares which convert to fully paid ordinary shares on discovery and definition of a JORC compliant Inferred Resource of 25 million lbs U3O8 at 1,000ppm uranium or greater on the Big Lake Uranium Project within five (5) years (see note 12 (d)).

Cameco Option

In a prior financial year the Company acquired Cameco Australia Pty Ltd's remaining interest in the Beatrice Project for a nominal consideration and the granting of a 15-year option to Cameco (Cameco Option) which enables the buy-back into the Project on discovery and definition by AGE of a JORC complaint resource (inferred, indicated and measured) of 100m pounds or more of U3O8.

The Cameco Option involves the right, to be exercised within a six-month period of receiving a formal notice, to acquire a 40% interest in a JORC compliant resource with the buyback consideration being dependent on the size of the discovery and referenced to the spot price at the time. The spot price used in the formula is capped at what is assessed as a reasonable long-term sustainable uranium price. Upon the option being exercised by Cameco a mining joint venture would be formed. The Cameco Option arises upon each separate discovery of a JORC compliant resource of 100 million pounds of U3O8 or greater discovered and defined by Alligator on the Tenements at any time up to 15 years from the date of executing the sale agreement.

For personal use only

Note 21 Commitments (continued)

Lease commitments

Non-cancellable lease rentals are as follows:

	2022	2021
	$	$
- within one year	92,442	16,600
- later than one year but not later than five years	-	-
	92,442	16,600

During 2022 the Company entered into leases in Adelaide, Whyalla and Brisbane. The Whyalla premises have 4 x 1 year option to renew and the Brisbane premises has a 1 x 1 year option to renew. The Adelaide premises have no option to renew. The Group has elected to apply the short-term lease exemption under AASB 16: Leases.

Note 22 Events occurring after the balance sheet date

The impact of the Coronavirus (COVID-19) pandemic is ongoing and has become a significant matter around the globe. Management is monitoring these developments and any potential future impact on the financial position and performance of the Group. However, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

On 1 July 2022, 1,254,545 zero priced options issued to Non-Executive Directors after receiving Shareholder approval at an EGM held in June 2021 vested and were converted into fully-paid ordinary shares. The options were issued in lieu of forgone director fees for the period October 2019 to March 2021.

On 6 July 2022, Alligator advised that it had applied for two additional exploration licenses surrounding the current Samphire Project tenure based upon anticipated and potential extensions to the interpreted paleochannels. AGE's strategic land holding for the Samphire Project will extend from 370.7 km2 to 551.8 km2 once granted.

On 1 September 2022, the Company reported its initial Indicated and Inferred Mineral Resource Estimate (MRE) targeting in-situ recovery at the Blackbush Deposit (Samphire Project). The MRE comprises 14.8Mlbs U3O8 at 250ppm cut-off (combined Inferred and Indicated) from 10Mt @ 666 ppm U3O8. The MRE applies to ISR amenable lithologies only (i.e., the Kanaka Beds). The average grade of the MRE at Blackbush of 666ppm U_3O_8 lifted from UraniumSA's (previous owner) global mean grade of 230ppm U_3O_8 and is now on par with several existing and previously operating ISR projects in Australia and the USA. The Company's next drilling program of 100 infill and extensional holes at Blackbush will commence early October 2022.

For personal use only

Note 22 Events occurring after the balance sheet date (continued)

No matter or circumstance has arisen since 30 June 2022 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.

There were no other transactions with related parties during the financial year.

For personal use only

Note 24 Parent Entity Financial Information

a. Summary financial information

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

	2022 $	2021 $
Balance Sheet		
Current assets	27,076,128	1,630,634
Total assets	44,634,940	13,849,189
Current liabilities	311,366	188,509
Total liabilities	539,772	416,915
Issued capital	72,303,961	39,534,274
Option reserve	141,294	8,247
Accumulated losses	(28,350,087)	(26,110,247)
Total equity	44,095,168	13,432,274
Loss for year	(2,239,840)	(999,434)
Total comprehensive income for the year	(2,239,840)	(999,434)

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 2022 (30 June 2021: Nil)

d. Contractual commitments for the acquisition of property, plant or equipment

The Parent Entity had contractual commitments as at 30 June 2022 to acquire field related equipment totalling $nil (2021: $nil).

Note 25 Company Details

The registered office and principal place of business of the Company as at 30 June 2022 was:
Suite 2, 128 Bowen St, Spring Hill
Brisbane QLD 4000
Phone (07) 3839 3904

For personal use only

DIRECTORS' DECLARATION

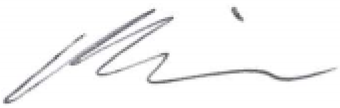
In accordance with a resolution of the directors of Alligator Energy Limited, in the opinion of the directors of the Company:

1. the financial statements and notes, as set out on pages 27 to 74 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 2022 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.



Paul Dickson
Chairman
Brisbane, 29 September 2022

For personal use only

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 2022, 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 2022 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. 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.

Independence

We are independent of the consolidated entity in accordance with the auditor independence requirements of 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 (including Independence Standards)* (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.

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.

PKF Brisbane Audit ABN 33 873 151 348
Level 6, 10 Eagle Street, Brisbane, QLD 4000 | GPO Box 1568, Brisbane, QLD 4001 | T: +61 7 3839 9733
Brisbane | Rockhampton www.pkf.com.au

Liability limited by a scheme approved under Professional Standards Legislation.
PKF Brisbane Pty Ltd. is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

Carrying value of capitalised exploration expenditure

Why significant	How our audit addressed the key audit matter
As at 30 June 2022 the carrying value of exploration and evaluation assets was $16,753,898 (2021: $11,845,947), as disclosed in Note 9. This represents 38% of the total assets of the consolidated entity. The consolidated entity's accounting policy in respect of exploration and evaluation expenditure is outlined in Note 1(d). Significant judgement is required: • in determining whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"); and • in determining the treatment of exploration and evaluation expenditure in accordance with AASB 6, and the consolidated entity's accounting policy. In particular: o whether the particular areas of interest meet the recognition conditions for an asset; and o which elements of exploration and evaluation expenditures qualify for capitalisation for each area of interest.	Our work included, but was not limited to, the following procedures: • Considering a detailed review of management's assessment of impairment trigger events prepared in accordance with AASB 6 including: o assessing whether the rights to tenure of the areas of interest remained current at balance date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future; o holding discussions with the directors and management as to the status of ongoing exploration programmes for the areas of interest, as well as assessing if there was evidence that a decision had been made to discontinue activities in any specific areas of interest; and o obtaining and assessing evidence of the consolidated entity's future intention for the areas of interest, including reviewing future budgeted expenditure and related work programme. • considering whether exploration activities for the areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • testing, on a sample basis, exploration and evaluation expenditure incurred during the year for compliance with AASB 6 and the consolidated entity's accounting policy; and • assessing the appropriateness of the related disclosures in Notes 1(d) and 9.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the consolidated entity's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

For personal use only

For personal use only

Our opinion on the financial report does not cover the other information and accordingly we do not express 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 and, in doing so, 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors' 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 the 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 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, individually 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. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.

- Obtain an understanding of internal control relevant to the audit 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 consolidated entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- 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

For personal use only

auditor's report. However, future events or conditions may cause the consolidated entity to cease to continue as a going concern.

- 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.

- 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.

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, actions taken to eliminate threats or safeguards applied.

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 the 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

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2022. 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.

Opinion

In our opinion, the Remuneration Report of Alligator Energy Limited for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

PKF BRISBANE AUDIT

TIM FOLLETT
PARTNER

BRISBANE
29 September 2022

CORPORATE GOVERNANCE STATEMENT

The ASX Corporate Governance Council Principles and Recommendations (4th Edition) Statement for the 30 June 2022 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

Uranium

Information in the Directors' Report included in this Financial Report is based on current and historic Exploration and Resource Drilling Results compiled by Dr Andrea Marsland-Smith who is a Member of the AusIMM. Dr Marsland-Smith is employed on a full-time basis with Alligator Energy as Chief Operating Officer, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration (including over 15 years in ISR uranium mining operations and technical work) and to the activity she 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. Dr Marsland-Smith consents to the inclusion in this release of the matters based on her information in the form and context in which it appears.

Nickel-cobalt

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

For personal use only