For the issue of up to 75 million Shares at an issue price of $0.20 each to raise up to $15,000,000

Prospectus

This is an important document which should be read in its entirety. You may wish to consult your professional advisor about its contents. The Shares offered by this Prospectus should be considered speculative.

ALLIGATOR ENERGY LTD  ACN 140 575 604

LEAD MANAGER

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26 November 2010

Dear Investor

On behalf of the Board of Directors, it gives me pleasure to invite you to become a shareholder in Alligator Energy Ltd (Alligator) – a company whose strategy and purpose is to secure through exploration success high grade uranium resources in one of the World’s premier uranium districts, the Alligator Rivers Uranium Province.

Alligator has purchased the Tin Camp Creek Tenements from Cameco Australia Pty Ltd. This project contains immediate drill targets, both to extend and validate known zones of uranium mineralisation as at Caramal and to explore systematically those prospects which have untested radiometric anomalies and/or limited previous drilling with positive results.

The Alligator Rivers Uranium Province hosts several world class uranium resources at Ranger and Jabiluka, with the likely potential to host more. Alligator holds 283 sq km under three granted tenements and has applied for 415 sq km under eleven tenement applications in the district. The Northern Territory has benefited from uranium mining for over thirty years and has an established regulatory framework which offers a high degree of certainty for business and stakeholders.

The traditional owners and their representative body, the Northern Land Council, are supportive of uranium exploration when conducted in a responsible and respectful manner. Alligator welcomes the equity participation of traditional owners in the Company’s granted tenements and places a premium on maintaining its social licence to operate through open dialogue and inclusive engagement with stakeholders.

The Directors consider Australia to be integral in providing energy security for our rapidly developing economic partners in Asia. Australia is strategically well positioned to provide uranium for power generation in Asia. These strategic geo-political synergies will benefit shareholders and stakeholders alike as Australia increasingly expands capacity to meet the accelerating demand for clean energy in Asia.

Alligator is seeking to raise up to $15 million through the issue of up to 75 million Shares at $0.20. If fully subscribed, the Company will have 155 million shares on issue and its estimated market capitalisation will be $31 million. These funds will be utilised as outlined in the accompanying Prospectus to fund extensive drill testing and associated studies on Alligator’s tenements.

I commend the Offer to you and look forward to welcoming you as a Shareholder in Alligator Energy Ltd.

Yours faithfully

Denis Gately
Chairperson
Important Information

This Prospectus is dated 26 November 2010 and was lodged with the Australian Securities and Investments Commission (ASIC) on that date. No responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates is taken by ASIC or ASX. Alligator Energy Ltd (Alligator) will apply to ASX for listing and quotation of the Shares on ASX within 7 days after the date of this Prospectus.

No Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. No person is authorised to provide any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as having been authorised by Alligator in connection with the Offer.

The Shares on offer under this Prospectus should be considered speculative. It is important that you read this Prospectus carefully and in full before deciding to invest in Alligator. In particular, in considering Alligator’s prospects you should consider the risk factors that could affect its financial performance in light of your personal circumstances (including financial and taxation issues) and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser.

Forward Looking Statements

Various statements in this Prospectus constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward looking statements and involve known and unknown risks, uncertainties and often important factors that could cause those future acts, events and circumstances to differ from the way they are portrayed in this Prospectus.

Financial forecasts are not included in this Prospectus due to the nature of the company’s business and the risks associated with it.

Foreign Jurisdictions

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law. Lodgement of a duly completed Application Form will be taken by the Company as to constitute a representation that there has been no breach of any applicable securities laws.

This Prospectus does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify Shares or to otherwise permit a public offer of Shares outside Australia. In particular, Shares have not and will not be registered under the US Securities Act of 1933 and may not be offered or sold within the United States or the securities laws of any state or other jurisdiction of the United States. The Shares may not be purchased by persons in the United States, persons who are U.S. Persons or who are persons acting for the account or benefit of a U.S. Person, and the Shares may not be offered, sold or resold in the United States for the account or benefit of, a U.S. Person, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Exposure Period

The Corporations Act prohibits Alligator from processing Applications until after the Exposure Period.

This Prospectus will be made available to Australian residents during the Exposure Period at www.alligatorenergy.com.au. A paper copy of this Prospectus will be provided free of charge to any person who requests a copy by contacting the company secretary at ehh@alligatorenergy.com.au during the Exposure Period. Applications under this Prospectus received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on Applications received during the Exposure Period.

Electronic Prospectus

This Prospectus may be viewed online at www.alligatorenergy.com.au. The Offer is only available to residents of Australia Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus. The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to a hard copy of the Prospectus or the complete and unaltered electronic version of this Prospectus. Applications may only be made on the Application Form attached to this Prospectus.

Definitions and Abbreviations

Defined terms and abbreviations used in this Prospectus are explained in the Glossary at the end of this Prospectus.

Miscellaneous

The financial amounts in this Prospectus are expressed in Australian dollars unless stated otherwise.

Items and undertakings displayed in photographs in the Prospectus are not necessarily assets owned by Alligator. The inclusion of photographs supplied by persons or entities other than Alligator does not constitute an endorsement or recommendation by those persons or entities of Shares offered under this Prospectus.
Summary of the Offer

**THE OFFER**

<table>
<thead>
<tr>
<th>Price</th>
<th>20 cents per Share</th>
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<tbody>
<tr>
<td>Minimum subscription</td>
<td>$10 million</td>
</tr>
<tr>
<td>Shares offered under this Prospectus</td>
<td>up to 75 million Shares</td>
</tr>
<tr>
<td>Shares on issue following the Offer</td>
<td>up to 155 million Shares</td>
</tr>
<tr>
<td>Estimated Market capitalisation following the Offer (if fully subscribed)</td>
<td>$31 million</td>
</tr>
</tbody>
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**IMPORTANT DATES**

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodgement of Prospectus with ASIC</td>
<td>26 November 2010</td>
</tr>
<tr>
<td>Opening Date for the Offer</td>
<td>3 December 2010</td>
</tr>
<tr>
<td>Closing Date for the Offer</td>
<td>17 December 2010</td>
</tr>
<tr>
<td>Allotment of New Shares</td>
<td>21 December 2010</td>
</tr>
<tr>
<td>Dispatch of shareholder statements</td>
<td>23 December 2010</td>
</tr>
<tr>
<td>Estimated date for listing on the ASX</td>
<td>12 January 2011</td>
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**NOTES:**

1) The above table is indicative only. All times are AEST. Alligator has the right to vary any of the above dates without notice to any recipient of this Prospectus or any Applicant.
2) Alligator has the right to close the Offer early or extend the Closing Date without notice.
exploration
+ discovery
Uranium Exploration Opportunity in a World Class Province

Alligator Energy offers investors strategic exposure to a highly prospective uranium exploration tenement package in the world class Alligator Rivers Uranium Province (ARUP) in Arnhem Land, Northern Territory which alongside the Athabasca Basin in Canada, ranks as one of the world’s premier uranium provinces for large, high grade resources.

Existing High Grade Mineralisation and Prospective Geology

High grade uranium mineralisation has previously been intersected at a number of prospects on the granted tenements, including at the historic Caramal deposit. High grade intersections include, 21m @ 0.5% U₃O₈ and 22.7m @ 0.38% U₃O₈ at Caramal, 15m @ 0.47% U₃O₈ at South Horn and 8.6m @ 0.33% U₃O₈ at Gorrunghar.

Rocks of the Cahill Formation which host in excess of 950Mlb U₃O₈ in uranium endowment in the ARUP occur extensively in the main project area. The project area and wider region remain under-explored due to historic access impediments.

Secure Granted Tenements and Favourable Jurisdiction

The Northern Territory Government encourages responsible uranium exploration and provides for uranium mining. The Northern Territory has been a major exporter of uranium for over 30 years and consequently has an established regulatory framework for uranium exploration, mine development and export. The Territory and Federal Governments support uranium mining in the Northern Territory.

The flagship project (Tin Camp Creek Project) on the Tin Camp Creek Tenements SEL 24921, SEL 24922 and EL 25002 (Tin Camp Creek Tenements) consists of granted tenements for which access agreements with the Northern Land Council (NLC) on behalf of traditional owners are in place.

Board, Management and Advisory Panel

The Alligator team has a depth of uranium experience across the technical, political, financial and legal disciplines. Alligator management has a proven track record in progressing uranium exploration projects in Northern Australia. The Board, Management and Advisory Panel have a clear strategy for developing the Company’s existing assets and pursuing future opportunities in uranium exploration.

Uranium Supply – Demand Scenario 2009

Source: WNA, World Uranium Markets, July 2010
Investment Highlights (cont.)

Commodity

Uranium is a growth commodity utilised in domestic power generation in Asia and globally. New reactor builds are increasing in tempo – to provide base load power and as an important part of the carbon emission reduction solution. There are currently 441 reactors operating with 58 being built and 148 ordered or planned.

Market

Due to the ongoing requirement to fuel reactors, the demand for uranium is non-discretionary – there is no substitute for uranium in current nuclear power generation.

The demand for uranium is also growing – driven by the combination of increasing demands for new energy sources and global carbon-consciousness.

The well documented forecast of supply side constraints can reasonably be predicted to have a positive price impact.

Asian Synergies

Alligator is in a position to benefit from Australia’s geo-political synergies with Asia. Energy security in this rapidly developing region is a key factor in the expansion of Australian energy exports to Asia. Currently 31 new reactors are being built in Asia.

Exploration Focus on the ARUP

Alligator is focused on the ARUP in the Northern Territory. Why? This province hosts nearly 1 billion pounds of high grade uranium resources and past production. The region has had significantly less exploration than the geologically similar Athabasca Basin which continues to produce new discoveries. Alligator considers it reasonable to expect that significant uranium deposits remain undiscovered in the ARUP.

Tenements and Project Pipeline

Alligator has implemented an active strategy to acquire exploration assets in the ARUP. By the purchase of the Tin Camp Creek Project from Cameco and the acquisition of Northern Prospector, Alligator have secured a prospective land holding in the region and a potential pipeline of quality projects. In total Alligator holds 283 sq km under three granted tenements and 415 sq km under eleven tenement applications.

Grade Factored Pounds U₃O₈ by State

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>M lb</th>
<th>GRADE</th>
<th>GRADE X POUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARUP</td>
<td>965.5</td>
<td>0.240%</td>
<td>231.70</td>
</tr>
<tr>
<td>Rest of NT</td>
<td>80.2</td>
<td>0.056%</td>
<td>4.48</td>
</tr>
<tr>
<td>Queensland</td>
<td>176.3</td>
<td>0.079%</td>
<td>13.97</td>
</tr>
<tr>
<td>South Australia (excluding Olympic Dam)</td>
<td>265.6</td>
<td>0.052%</td>
<td>13.88</td>
</tr>
<tr>
<td>Western Australia</td>
<td>415.0</td>
<td>0.056%</td>
<td>26.91</td>
</tr>
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</table>

ARUP ENDOWMENT

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>TONNES</th>
<th>GRADE</th>
<th>M lbs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranger Past Production</td>
<td>41</td>
<td>0.29%</td>
<td>261</td>
</tr>
<tr>
<td>Ranger Reserves &amp; Resources (including Stockpile)</td>
<td>130</td>
<td>0.12%</td>
<td>282</td>
</tr>
<tr>
<td>Jabluka 2</td>
<td>31.1</td>
<td>0.53%</td>
<td>359</td>
</tr>
<tr>
<td>Jabluka 1</td>
<td>1.3</td>
<td>0.25%</td>
<td>7.1</td>
</tr>
<tr>
<td>Narbalek (Past Production)</td>
<td>0.57</td>
<td>1.95%</td>
<td>24.4</td>
</tr>
<tr>
<td>Koongarra 1</td>
<td>1.82</td>
<td>0.79%</td>
<td>12</td>
</tr>
<tr>
<td>TOTAL</td>
<td>185.79</td>
<td>0.24%</td>
<td>965.5</td>
</tr>
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7 ALLIGATOR ENERGY LTD | PROSPECTUS
Prospective Targets

Several prospective drill targets have been defined during data compilation by Alligator. These include:

• Extensions to the high grade Caramal mineralisation both at depth and along strike. The along-strike extensions to mineralisation are interpreted by Alligator to be offset by late faults and are untested by previous drilling.

• Extensions of the Caramal alteration and uranium mineralisation further to the east under cover in the broad untested area between the drilled prospect area and the significant Beatrice Fault. The occurrence of mineralisation at Jabiluka and Ranger demonstrates that mineralisation in the ARUP can extend deep into the basement. In the case of Jabiluka, the main deposit (Jabiluka 2) occurs some 500 metres down dip of a relatively small, near-surface deposit (Jabiluka 1). Alligator considers that similar relationships may occur in the broader Caramal area.

• At South Horn, an extensive 3000 metre strike length trend of discrete radiometric anomalies occurs proximal to the Beatrice Fault. Previously identified areas of uranium mineralisation and untested radiometric anomalies require systematic diamond drill testing.

• At the Two Rocks, coincident geophysical and geological targets occur on a major fault flexure along strike from anomalous uranium drill intersections. These targets are untested by previous drilling.

Small deposit footprint

The footprint of ARUP deposits may be comparatively small due to their high grade. An economic uranium resource of uranium can be contained in a relatively small volume of rock. As a result tight drill spacing is required to test target areas.

It is possible that a 20,000t U₃O₈ ore body at a grade of 0.3% U₃O₈ could be contained within a volume measuring 250 metres in length, 75 metres in width and 150 metres in vertical extent. For higher grade deposits similar to Koongarra (0.8% U₃O₈) and Nabarlek (1.9% U₃O₈), the footprint could be smaller.

Previous broad spaced drill testing has been inadequate to test for ARUP-style targets.

Arnhem Land

Arnhem Land is held under inalienable freehold title by the traditional owners. Alligator has an agreement with the traditional owners through their representative body, the NLC, which outlines the terms under which Alligator may conduct exploration for and mine uranium. WAC, which is an indigenous corporation, holds an interest of 2% in the Alligator granted tenements (SELS 24921 and 24922) on trust for the local traditional owners.

Access

The Tin Camp Creek Project area is approximately 275 km east of Darwin. Access from Darwin is via the Arnhem Highway which is sealed to Cahills Crossing on the East Alligator River, thence via well formed unsealed roads. The airport at Jabiru is all weather, and the tenements are helicopter accessible from Jabiru. The proximity to Darwin with a skilled pool of workers and support infrastructure and the excellent access by road will be a significant advantage for the conduct of the Tin Camp Creek Project.
Investment Highlights (cont.)

**Major Shareholders**
Existing major shareholders include Macquarie Bank, Pine Tree Capital and Lagoon Creek Resources Pty Ltd (a wholly-owned subsidiary of Laramide Resources Ltd).

Management currently control 17% of the Shares.

**Exploration Program**
Alligator has budgeted $4 million per annum for drilling and exploration on the granted tenements. Details are outlined at section 5.3. Alligator’s strategy is to focus on exploration, where the Company’s key competitive advantages lie.

**Cameco**
Under a condition which Alligator considers an endorsement of the exploration potential of the Tin Camp Creek Tenements, Cameco has retained the right to Buy Back into 51% of a defined resource on commercial terms if a substantial uranium discovery is made. Should Cameco exercise this buy-back right, Cameco and Alligator (through its wholly-owned subsidiary, TCC Project Pty Ltd (TCC Project)) will enter into a joint venture agreement governed by the overriding principle that the parties must use all reasonable endeavours to commercially develop the defined resource. Cameco is one of the world’s second largest uranium miners and offers tremendous value in developing a uranium resource.

**Off take**
Alligator has the right to sell all the uranium produced from any mining leases granted over the Tin Camp Creek Tenements, unless Cameco becomes entitled to exercise and does exercise its buy-back right into a defined resource. In those circumstances Alligator will retain the right to sell a percentage of the produced uranium from a future mining lease over the defined resource equal to its participating interest in the joint venture – which as at the date of any buy-back by Cameco will be 49%. Cameco’s buy-back rights apply only to a defined substantial uranium resource identified within 8 years from 14 October 2010, and do not apply to the Tin Camp Creek Tenements as a whole.

**Risks**
Investors should be aware that there are risks associated with this investment – in particular, that discoveries which will lead to a commercial return cannot be assured.

Other risks identified by the Board and senior management include:

**Exploration risk** The business of exploration for minerals and mining involve a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

**Operating risks** Mining operations generally involves a high degree of risk including unusual or unexpected formations or other conditions, liability for pollution, cave-ins or hazards against which Alligator cannot insure or against which it may elect not to insure.

**Regulation** Alligator is subject to the specific risk associated with the strict regulation of uranium exploration, production and export in and from Australia.

**Renewals and future grants** The renewal of exploration tenements, and the grant of future mining tenements, is at the discretion of the Minister.

**Loss of key members of management team**
The success of Alligator is dependent upon the efforts and abilities of its management team, and accordingly, its ability to retain key personnel.

Refer to section 4 of this prospectus for further information on risks that could affect Alligator and your investment under the Offer.

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<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
<th>Further Information</th>
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<tbody>
<tr>
<td>Who is Alligator?</td>
<td>Alligator is a public company which was incorporated in November 2009 and now has a portfolio of uranium exploration tenements in the ARUP.</td>
<td>Section 6.1</td>
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<td></td>
<td>Section 9</td>
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<td></td>
<td>Section 15.1</td>
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<tr>
<td>What is Alligator’s focus?</td>
<td>The focus of Alligator is the exploration for economic uranium deposits in the ARUP of Northern Australia.</td>
<td>Section 2</td>
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<td>Section 6.1</td>
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<td>Section 7</td>
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<tr>
<td>What is the offer?</td>
<td>The Offer is for the issue of up to 75 million Shares at an issue price of 20 cents per Share.</td>
<td>Section 1</td>
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<td></td>
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<td>Section 5.1</td>
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<td></td>
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<td>Section 5.5</td>
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<tr>
<td></td>
<td></td>
<td>Section 15.3</td>
</tr>
<tr>
<td>How much will Alligator raise through this Offer?</td>
<td>Alligator is seeking to raise a minimum of $10 million dollars through this Offer.</td>
<td>Section 5.1</td>
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<td>Section 5.10</td>
</tr>
<tr>
<td>What is the purpose of the Offer?</td>
<td>The purpose of the offer is to enable Alligator to:</td>
<td>Section 5.3</td>
</tr>
<tr>
<td></td>
<td>• Undertake drilling and associated exploration on the granted tenements in Arnhem Land.</td>
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<td></td>
<td>• Progress the exploration licence applications in Arnhem Land to grant.</td>
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<td></td>
<td>• Cover corporate costs.</td>
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<tr>
<td></td>
<td>The Directors are satisfied that upon Completion of the Offer, Alligator will have sufficient funds to carry out its stated objective of effectively exploring the Tin Camp Creek Project. Alligator plans to approach its initial exploration program by focusing on drill testing of existing known zones of mineralisation and potential extensions. Untested geophysical anomalies will also be drill tested.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Approximately $6.9 million will be allocated for drilling and direct field work costs including field related salaries and contractor costs. The costs and projections with respect to drilling are on the basis that operations will proceed “trouble free”.</td>
<td></td>
</tr>
<tr>
<td>How many Shares will be on issue after the Offer?</td>
<td>155 million Shares if fully subscribed.</td>
<td>Section 1</td>
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<td></td>
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<td>Section 5.1</td>
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<td>Section 5.4</td>
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<td></td>
<td></td>
<td>Section 15.2</td>
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<tr>
<td></td>
<td></td>
<td>Section 15.4</td>
</tr>
<tr>
<td>What is Alligator’s competitive advantage?</td>
<td>Alligator combines exploration tenements in a world class province with a Board and Management team whose depth of experience and success record in the uranium sector is manifest. Alligator is a dedicated uranium exploration company poised to create wealth through the discovery of uranium resources.</td>
<td>Section 2</td>
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<td></td>
<td>Section 6.1</td>
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<td>Section 8</td>
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### Key Questions and Answers (cont.)

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>What are Alligator's assets?</td>
<td>Alligator recently completed the acquisition from Cameco of three granted exploration tenements in the Northern Territory of Australia covering 283 sq km and the associated data, drill core and exploration camp with chattels. These are the Tin Camp Creek Tenements which comprise SEL 24921, SEL 24922 and EL 25002. The tenements have been augmented through the acquisition of Northern Prospector which now holds 11 exploration license applications in the district.</td>
<td>Section 6.2</td>
</tr>
<tr>
<td>When do Alligator's Tin Camp Creek Tenements expire?</td>
<td>The current term of the Special Exploration Licences (SEL 24921 &amp; 24922) runs until 29 May 2011. The current term of EL25002 runs until 1 September 2014. Under current legislation, upon the expiry of the current term of each tenement, the tenements can be renewed for 2 years, followed by a further opportunity to renew for an additional 2 years. However under the soon to be commenced Mineral Titles Act 2010 (NT), there is no restriction on the number of times the Minister can renew an exploration licence. After these opportunities for renewal have been exhausted, select areas can be retained under an Exploration Retention Licence for a further 4 years. A Mining Lease can be applied for at any stage during the above periods. The Northern Prospector ELAs have been made seeking an initial term of 6 years.</td>
<td>Section 6.5</td>
</tr>
<tr>
<td>What are the terms of the Cameco Buy Back?</td>
<td>Upon identification, within the period that is eight years after 14 October 2010, of a JORC Code compliant Inferred resource containing above 20,000 tons of U₃O₈ or a high grade deposit containing not less than 1% U₃O₈ resulting in not less than 5,000 tons of U₃O₈, Cameco may elect to commence a two year Resource Evaluation Period (REP) sharing costs with Alligator in the proportion 51% Cameco and 49% Alligator, with Alligator to manage the evaluation program. If Cameco elects to continue to completion of the REP, then Cameco may buy 51% of the resource as defined at completion of the REP (Buy Back), by the payment to Alligator of a purchase price calculated according to the following formula: [ 10% \times \text{Spot Price} \times \text{Total JORC Compliant U}_3\text{O}_8 \text{ Resource (Inferred; Indicated; Measured)} \times 51% ] For the purposes of this calculation, the Spot Price is the average spot price for U₃O₈ (U₃C BAP (US$/lb)) averaged over the period of the REP, and subject to a floor of $40.00 and a cap of $80.00. If Cameco elects to exercise its Buy Back right, Alligator and Cameco will enter into a joint venture agreement on commercial terms, subject to the overriding principle that the parties must use all reasonable endeavours to commercially develop the defined resource.</td>
<td>Section 15.21</td>
</tr>
<tr>
<td>Who has the uranium marketing rights from the Tin Camp Creek Tenements?</td>
<td>Alligator has the right to dispose of all the off take produced from any future mining lease over the area of the Tin Camp Creek Tenements unless Cameco Buy Back into a defined resource, in which circumstance Alligator will control a percentage of the produced uranium from the defined resource equal to its participating interest in the joint venture – which as at the date of any buy-back by Cameco will be 49%.</td>
<td>Section 15.21</td>
</tr>
<tr>
<td>Question</td>
<td>Response</td>
<td>Section</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>What are the most significant risks facing Alligator?</td>
<td>There are a number of risks involved with exploration for minerals and mining. The risks identified by the Board and senior Management include:</td>
<td>Section 4</td>
</tr>
<tr>
<td></td>
<td><strong>Exploration risk.</strong> The business of exploration for minerals and mining involve a high degree of risk. Few properties that are explored are ultimately developed into producing mines.</td>
<td>Section 15</td>
</tr>
<tr>
<td></td>
<td><strong>Operating risks.</strong> Mining operations generally involve a high degree of risk including unusual or unexpected formations or other conditions, liability for pollution, cave-ins or hazards against which Alligator cannot insure or against which it may elect not to insure.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Regulation.</strong> Alligator is subject to the specific risk associated with the strict regulation of uranium exploration, production and export in and from Australia.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Renewals and future grants.</strong> The renewal of exploration tenements, and the grant of future mining tenements, is at the discretion of the Minister.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Loss of key members of management team.</strong> The success of Alligator is dependent upon the efforts and abilities of its management team, and accordingly, its ability to retain key personnel.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>A more detailed summary of the risks involved with an investment in Alligator is set out in Section 4.</td>
<td></td>
</tr>
<tr>
<td>Does Alligator intend to pay dividends?</td>
<td>The Directors intend to give priority to maximising the development of Alligator’s exploration program. The Directors intend to pay dividends to Alligator’s shareholders if and when business conditions permit. No dividends, however, are likely to be declared or paid in the short to medium term.</td>
<td>Section 4.3</td>
</tr>
<tr>
<td>What is the minimum application under the Offer?</td>
<td>Applications must be for a minimum of $2,000 or (10,000 Shares). Applications in excess of the minimum must be in multiples of $200 (1,000 Shares).</td>
<td>Section 5.6</td>
</tr>
<tr>
<td>Is the Offer underwritten?</td>
<td>The Offer is not underwritten.</td>
<td>Section 5.13</td>
</tr>
<tr>
<td>How do I apply for Shares?</td>
<td>By submitting a valid Application Form in accordance with the instructions set out in section 5.6.</td>
<td>Section 5.8</td>
</tr>
<tr>
<td>Can the Offer be withdrawn?</td>
<td>Alligator is entitled to withdraw the Offer at any time before the allocation of Shares under the Offer. If the Offer is withdrawn all application monies will be refunded as soon as practicable.</td>
<td>Section 5.14</td>
</tr>
<tr>
<td>When will I receive confirmation that my application has been successful?</td>
<td>Holding statements confirming Applicants’ allocations under the Offer are expected to be dispatched to successful Applicants on or about 23 December 2010 and the Shares are expected to commence trading on the ASX on a normal settlement basis on 12 January 2011.</td>
<td>Section 5.13</td>
</tr>
</tbody>
</table>
Key Risks

The following represents an overview of some of the risks of conducting a uranium exploration business in Australia.

4.1 General comments

This section identifies the areas the Directors regard as the major risks associated with an investment in Alligator. A number of factors, both specific to Alligator and of a general nature, may affect the future operating and financial performance of Alligator and the outcome of an investment in Alligator. There can be no guarantee that Alligator will achieve its stated objectives, or that forward looking statements will be realised.

An investment in Alligator under the Prospectus should be regarded as speculative. Uranium exploration, development and production have inherent risks, which may have a material effect on Alligator’s future performance and the value of its Shares.

Potential investors should read the entire Prospectus before deciding whether to invest in Alligator, and, in particular, should consider the underlying risk factors that could affect the financial performance of Alligator.

This list, which is not exhaustive, describes certain risks associated with an investment in Alligator. If in any doubt, prospective investors should consult their professional advisers before deciding whether to invest in Alligator.

4.2 Specific Risk Factors

The Company is subject to the inherent risks which apply to some degree to all participants in the mining industry. These risks include the following.

Lack of success of drilling program

Resources and reserves are estimates based upon drilling results, past experience with mining properties, experience of the person making the resource/reserve estimates and many other factors. Resource/reserve estimation is an interpretative process based upon available data. The actual quality and characteristics of ore deposits and metallurgical recovery rates cannot be known until mining takes place, and will almost certainly differ from the assumptions used to develop reserves. Further, reserves are valued based on current costs and current prices and consequently may be reduced with declines in, or sustained low, metal prices. A reduction in the price of alternative fuels may lead to a decrease in demand for uranium and a consequent fall in price.

Operating hazards

The business of exploration for minerals and mining both involve a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Further studies are required to determine whether the Tin Camp Creek Tenements contain economically mineable uranium resources and no reliable statement as to prospectivity of the Northern Territory Exploration Acreage can be made at this time.

Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of exploration and mining.
Key Risk Factors

Tenements
Tenements may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects.

The renewal of a tenement is not as-of-right. The Minister retains a discretion to grant the renewal of a tenement. Similarly, a Minister may in the future grant production tenements to the holders of exploration tenements.

Insurance
Mining operations generally involve a high degree of risk. Hazards such as unusual or unexpected formations or other conditions are involved. Alligator may become subject to liability for pollution, cave-ins, or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material adverse effect on Alligator’s financial position.

The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of operations of Alligator. There can be no assurance that Alligator will be able to maintain adequate insurance in the future at rates that it considers reasonable.

Native title and Aboriginal Land
Native title claims, Aboriginal land issues and Aboriginal heritage issues may affect the ability of Alligator to pursue exploration, development and mining on Alligator’s Australian properties. The resolution of native title, Aboriginal land and Aboriginal heritage issues is an integral part of exploration and mining operations and Alligator is committed to managing the issues effectively. However, in view of the legal and factual uncertainties, no assurance can be given that material adverse consequences will not arise in connection with them.

Legal environment
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, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, environmental protection, mine safety, land access and other matters.

Laws and regulations generally are subject to change over time. For example, the Northern Territory Parliament recently passed the Mineral Titles Act 2010 (NT). This Act is proposed to commence some time in 2011, at which time it will replace the Mining Act (NT). It is also the case that uranium mining and export are political issues in relation to which new restrictions may be imposed in future. Obviously, it is not possible to forecast the effects future legislative developments may have on the future operations of Alligator. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on Alligator and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Companies engaged in mineral exploration or development or operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. 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.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

4.3 General risk factors
While the Directors believe that prudent management will minimise the risks to shareholders, investors should also consider the following risk factors.

Capital requirements
There can be no assurance that Alligator will not seek to exploit business opportunities of a kind which will require it to raise additional capital from equity or debt sources. There can be no assurance that Alligator will be able to raise such capital on favourable terms or at all. If Alligator is unable to obtain such additional capital, it may be required to reduce the scope of its anticipated expansion or drilling program, which could adversely affect its business, financial condition and results of operation.

Commercialisation
The economics of developing mineral properties are affected by many factors including the cost of operations, variation of the grade of ore mined and fluctuations in the price of any minerals produced. Programs conducted on the Alligator’s mineral properties would be an exploratory search for ore. In the event a commercially productive mineral reserve is discovered, substantial expenditures are required to establish mineral reserves through drilling, to develop metallurgical processes for extraction and to develop or upgrade the mining and processing facilities and infrastructure at the production site.

The marketability of any minerals discovered may be affected by numerous factors which are beyond the Company’s control and which cannot be predicted, such as market fluctuations, the proximity to and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations,
including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Depending on the price of minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

Financial risks

Financial risks include the following:

(a) Alligator has not commenced commercial production on any mineral property and has no history of earnings;
(b) the only present source of funds available to Alligator is through the issue of its equity shares or through joint venturing or optioning of Alligator's mineral properties;
(c) to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists;
(d) the resource industry is intensely competitive in all of its phases, and Alligator competes with many companies possessing greater financial resources and technical facilities than itself. Competition could adversely affect Alligator's ability to acquire suitable properties for exploration in the future;
(e) no assurance as to future profitability or dividends can be given as they are dependent on future earnings and the working capital requirements of Alligator. There can be no guarantee that the assumptions on which the financial forecasts will ultimately prove to be valid or accurate. The forecasts depend on various factors many of which are outside the control of Alligator;
(f) the assets of Alligator and its ability to operate may be impaired by acts of war, terrorism, civil disturbances, political intervention or natural events (including earthquakes, floods, fires and poor weather);
(g) litigation is a general risk to mining companies. Alligator may incur costs in making payments to settle claims that are not covered by insurance and such payments may have an adverse affect on the Alligator's financial position; and
(h) some of Alligator's properties may, in future, be subject to joint venture agreements which may require Alligator to contribute funds to joint venture operations. Alligator may be unable to meet its share of costs incurred under option or joint venture agreements to which it becomes a party, and Alligator may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, Alligator may be unable to finance the cost required to complete recommended programs.

Industry competition

Nuclear energy is in direct competition with conventional energy sources, which may be provided at lower cost and may be more generally accepted in the community. These factors may have an adverse impact on demand for uranium and Alligator's ability to achieve its stated objectives.

4.4 Other General Risks

There can be no guarantee that the assumptions on which Alligator relies, or those upon which Alligator bases its decisions to proceed, will ultimately prove to be valid or accurate. Alligator's forecasts, and development strategies depend on various factors many of which are outside the control of Alligator. The future viability and profitability of Alligator is also dependent on a number of other factors affecting performance of all industries and not just the uranium exploration industry, including, but not limited to the following:

(a) the success of Alligator is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon Alligator's business and prospects;
(b) the strength of equity and capital markets in Australia and throughout the world;
(c) changes in government, monetary policies, taxation and other laws can have a significant influence on the outlook for companies and the returns to investors;
(d) exchange rate fluctuations;
(e) stakeholder and community resistance; and
(f) industrial disputation in Australia and elsewhere.

The above list of risk factors ought not to be taken as exhaustive of the risks faced by Alligator or by investors in Alligator. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of Alligator and the value of the Shares. Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those shares.
Investment Overview

5.1 Description of the Offer

This Prospectus provides information on the Offer of up to 75 million fully paid ordinary shares in Alligator at an issue price of 20 cents per share (Shares) to raise up to $15 million.

THE OFFER

Price 20 cents per Share
Minimum subscription $10 million
Shares offered under this Prospectus up to 75 million Shares
Shares on issue following the Offer up to 155 million Shares
Estimated market capitalisation following the Offer (if fully subscribed) $31 million

5.2 Key Dates

IMPORTANT DATES

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodgement of Prospectus with ASIC</td>
<td>26 November 2010</td>
</tr>
<tr>
<td>Opening Date for the Offer</td>
<td>3 December 2010</td>
</tr>
<tr>
<td>Closing Date for the Offer</td>
<td>17 December 2010</td>
</tr>
<tr>
<td>Allotment of New Shares</td>
<td>21 December 2010</td>
</tr>
<tr>
<td>Despatch of shareholder statements</td>
<td>23 December 2010</td>
</tr>
<tr>
<td>Estimated date for listing on the ASX</td>
<td>12 January 2011</td>
</tr>
</tbody>
</table>

NOTES:

1) The above table is indicative only. All times are AEST. Alligator has the right to vary any of the above dates without notice to any recipient of this Prospectus or any Applicant.

2) Alligator has the right to close the Offer early or extend the Closing Date without notice.

5.3 Proposed Use of Funds

Alligator’s proposed exploration programme for the initial two years is focused primarily on drill testing advanced prospects. Exploration work during the first two years will target the Caramal and South Horn prospects.

During the first year at Caramal, Alligator intends to undertake a total of 4,000 metres of diamond drilling. Drilling will be preceded by a detailed airborne magnetic/radiometric survey to assist targeting. Drilling will target the existing area of known mineralisation, depth extensions and fault off-set extensions to the mineralised zones.

During the second year, drilling is planned to target the eastern extents of known mineralisation and the area to the immediate west of the Beatrice Fault to extend mineralisation identified in year 1. A total of 4,000 metres of drilling is planned for the second year.

At South Horn, an initial drilling program of 1,500 metres is planned for the first year, and depending on results, a further 2,000 metres during the second year.

During the first year, detailed ground radiometric surveys will be undertaken along the Two Rocks trend. Data from previous electro-magnetic surveys undertaken in the area will be reprocessed and re-interpreted. An initial program of 500 metres of diamond drilling is planned for the first year.

Drilling of 500 metres of core is planned to test the Razorback gold prospect soil anomaly in year 2.

It is planned to undertake approximately 1,500 metres of diamond drilling on regional targets during the second year.

This work program is based on a capital raising of $10–15 million. Expenditure on direct field related costs including drilling during the first two years is estimated to be $6.9 million, with an additional $945,000 budgeted annually for corporate and office costs.

The balance of funds will be retained to advance the Northern Prospector ELAs to grant.

The Directors are satisfied the Company will have sufficient working capital to carry out the objectives stated in this Prospectus.

MINIMUM SUBSCRIPTION EXPLORATION BUDGET:

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>YEAR 1 A$</th>
<th>YEAR 2 A$</th>
<th>TOTAL A$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field Support Costs and Travel</td>
<td>330,000</td>
<td>330,000</td>
<td>660,000</td>
</tr>
<tr>
<td>Drilling &amp; associated direct costs</td>
<td>1,523,000</td>
<td>1,998,000</td>
<td>3,521,000</td>
</tr>
<tr>
<td>Geologists &amp; field assistants</td>
<td>850,000</td>
<td>850,000</td>
<td>1,740,000</td>
</tr>
<tr>
<td>Helicopter Support</td>
<td>60,000</td>
<td>240,000</td>
<td>300,000</td>
</tr>
<tr>
<td>Geophysics</td>
<td>195,000</td>
<td>95,000</td>
<td>290,000</td>
</tr>
<tr>
<td>Indigenous liaison</td>
<td>200,000</td>
<td>200,000</td>
<td>400,000</td>
</tr>
<tr>
<td>Exploration Field Costs Total</td>
<td>3,158,000</td>
<td>3,753,000</td>
<td>6,911,000</td>
</tr>
<tr>
<td>Corporate</td>
<td>945,000</td>
<td>945,000</td>
<td>1,890,000</td>
</tr>
<tr>
<td>Totals</td>
<td>4,103,000</td>
<td>4,698,000</td>
<td>8,801,000</td>
</tr>
</tbody>
</table>
If the maximum of $15 million is raised, an additional 2,000 metres of diamond drilling is planned to be undertaken during the second year, primarily on regional targets under the sandstone cover in the northern part of the Tin Camp Creek Project area. The proposed budget allocation assuming the maximum capital raising is presented below:

### MAXIMUM SUBSCRIPTION EXPLORATION BUDGET:

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>YEAR 1 A$</th>
<th>YEAR 2 A$</th>
<th>TOTAL A$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field Support Costs and Travel</td>
<td>330,000</td>
<td>350,000</td>
<td>680,000</td>
</tr>
<tr>
<td>Drilling &amp; associated direct costs</td>
<td>1,523,000</td>
<td>2,573,000</td>
<td>4,096,000</td>
</tr>
<tr>
<td>Helicopter Support</td>
<td>850,000</td>
<td>890,000</td>
<td>1,740,000</td>
</tr>
<tr>
<td>Geologists &amp; field assistants</td>
<td>60,000</td>
<td>330,000</td>
<td>390,000</td>
</tr>
<tr>
<td>Geophysics</td>
<td>195,000</td>
<td>95,000</td>
<td>290,000</td>
</tr>
<tr>
<td>Indigenous liaison</td>
<td>200,000</td>
<td>200,000</td>
<td>400,000</td>
</tr>
<tr>
<td>Exploration Field Costs Total</td>
<td>3,158,000</td>
<td>4,438,000</td>
<td>7,596,000</td>
</tr>
<tr>
<td>Corporate</td>
<td>945,000</td>
<td>945,000</td>
<td>1,890,000</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>4,103,000</td>
<td>5,383,000</td>
<td>9,486,000</td>
</tr>
</tbody>
</table>

Total Field Costs are estimated to be $7.6 million in this case. The balance of additional funds will be retained to advance the Northern Prospector ELAs and for further acquisitions.

### MINIMUM SUBSCRIPTION (M) | MAXIMUM SUBSCRIPTION (M)

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>10.0</th>
<th>15.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offer of Shares</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uses of Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exploration Field Costs</td>
<td>6.9</td>
<td>7.6</td>
</tr>
<tr>
<td>Corporate Costs</td>
<td>1.9</td>
<td>1.9</td>
</tr>
<tr>
<td>Costs of the Offer</td>
<td>0.7</td>
<td>1.0</td>
</tr>
<tr>
<td>Further exploration and potential acquisitions</td>
<td>0.5</td>
<td>4.5</td>
</tr>
<tr>
<td><strong>Total Use of Funds</strong></td>
<td>10.0</td>
<td>15.0</td>
</tr>
</tbody>
</table>

5.4 Capital structure

There will be up to 155 million shares in Alligator on issue following the Offer. The ownership structure of Alligator immediately prior to and following completion of the Offer is set out in the table below.

<table>
<thead>
<tr>
<th></th>
<th>PRE-OFFER</th>
<th>POST-OFFER</th>
</tr>
</thead>
<tbody>
<tr>
<td>SHARES (M)</td>
<td>%</td>
<td>SHARE (M)</td>
</tr>
<tr>
<td>Alligator Board and Management</td>
<td>13.9</td>
<td>17%</td>
</tr>
<tr>
<td>Other existing shareholders</td>
<td>66.4</td>
<td>83%</td>
</tr>
<tr>
<td>New Shareholders pursuant to the Offer</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>80.3</td>
<td>100%</td>
</tr>
</tbody>
</table>

There are also 13,250,000 Options on issue at the date of this Prospectus.

5.5 Rights attaching to Shares

The Shares to be issued pursuant to the Offer are of the same class and will rank equally in all respects with the existing Shares in Alligator. The rights and liabilities attaching to new Shares are further described in Section 15.3 of this Prospectus.

5.6 How to apply for Shares under the Offer

Applications for Shares can only be made by completing and lodging a paper copy of an Application Form. Application Forms are attached to this Prospectus and the Prospectus in electronic form, which is available at www.alligatorenergy.com.au.

Application Forms should be completed in accordance with the instructions in the guide to the Application Form.

Application Forms must be accompanied by a cheque in Australian dollars for the value of Shares applied for and made payable to “Alligator Energy Ltd – Share Application Account” and crossed “Not Negotiable.” Alligator will not accept an Application Form electronically.

Applications must be for a minimum of $2,000 or (10,000 Shares). Applications in excess of the minimum must be in multiples of $200 (1,000 Shares).

Applicants should mail or deliver their completed Application Forms and accompanying cheques to:

**POST**

Alligator Share Offer  
c/o Security Transfer Registrars Pty Ltd  
PO Box 535  
Applego, Western Australia 6153  
Australia

**DELIVERY**

Alligator Share Offer  
c/o Security Transfer Registrars Pty Ltd  
770 Canning Highway  
Applego, Western Australia 6153  
Australia

No brokerage, commission or stamp duty is payable by Applicants who apply for Shares using the Application Form.
5.7 Broker Firm Applications

If Applicant has received a firm allocation from its broker, the Applicant must lodge its Application Form and subscription payment with its broker, in accordance with the broker's instructions. Alligator, the Share Registry, and the Underwriter take no responsibility for any act or omission by an Applicant's broker in connection with its Application Form and subscription payment.

5.8 Acceptance of Applications

Any Application constitutes an irrevocable offer to acquire Shares on the terms and conditions set out in this Prospectus. Alligator reserves the right to reject any Application in the Offer, including but not limited to Applications that have been incorrectly completed, or are accompanied by cheques that are dishonoured or have not cleared by the close of the Offer.

If an Application is rejected or accepted in part only, or the Offer is withdrawn or cancelled, the relevant part of the Application Monies will be refunded. No interest will be paid on any Application Monies refunded.

5.9 Allocation Policy

The acceptance of Applications and the allocation of Shares is at the discretion of the Directors. Alligator reserves the right to allot to an Applicant a lesser number of Shares than the number for which the Applicant applies or to reject an Application. If the number of Shares allotted is fewer than the number applied for, surplus Application money will be held in trust in a subscription account until allotment or, where applicable, it is repaid to the Applicants (without interest).

5.10 Minimum Subscription

The minimum subscription amount is $10 million. No Shares will be issued by Alligator unless Alligator receives Applications in respect of the minimum subscription. Should the minimum subscription not be reached within four months from the date of this Prospectus, Alligator will either repay the Application Monies (without interest) to Applicants or issue a supplementary or replacement prospectus and allow Applicants one month to withdraw their Applications and be repaid their Application Monies (without interest).

5.11 Oversubscriptions

Subscriptions over $15 million will not be accepted. Any amounts received by way of oversubscription will be refunded (without interest).

5.12 ASX Listing

Application to ASX will be made by Alligator no later than seven days after the issue of the Prospectus for Alligator to be admitted to the official list of ASX and for quotation of the shares on ASX. If Alligator is not admitted to the official list of the ASX within three months after the date of this Prospectus (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies will be refunded (without interest).

ASX takes no responsibility for this Prospectus or the investment to which it relates. Admission to the official list of ASX and quotation of the Shares on ASX are not to be taken as an endorsement of Alligator by ASX.

5.13 Restricted Securities

The ASX may classify certain Shares as being subject to the restricted securities provisions of the ASX Listing Rules. For holders of escrowed shares and options, restriction agreements will be required to be entered into in accordance with the Listing Rules.

5.14 CHESS and Holding Statements

Alligator will apply to participate in CHESS, and, in accordance with the Listing Rules and the ASTC Settlement Rules, will maintain an electronic issuer-sponsored sub-register and CHESS sub-register.

Following the issue of Shares to successful Applicants, Shareholders will be sent transaction confirmation statements that set out the number of Shares which they have been allocated. Transaction confirmation statements are expected to be dispatched on 23 December 2010.

This statement will document a Shareholder’s Holder Identification Number (for CHESS holdings) or the Security Holder Reference Number for Issuer Sponsored holders.

5.15 Settlement Trading

It is expected that trading of Shares on ASX will commence on or about 12 January 2011.

You are responsible for confirming your allocation of Shares before trading in the Shares. If you sell Shares before receiving confirmation of your allocation, you do so at your own risk.

Alligator and the Registry disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before receiving their initial transaction confirmation statement, whether on the basis of a confirmation of allocation provided by Alligator or otherwise.

5.16 Taxation

The Australian taxation consequences of any investment in Shares will depend upon the investor’s particular circumstances. It is your obligation to make your own enquiries concerning the taxation consequences of an investment in Alligator. If you are in doubt as to the course you should follow, you should consult your stockbroker, lawyer, accountant or other professional adviser.

5.17 Withdrawal or early close of the Offer

Alligator reserves the right to withdraw the Offer at any time before the allocation of Shares under the Offer. If the Offer is withdrawn, Application Monies will be refunded (without interest).

Alligator has the right to vary any of the dates set out in the Prospectus relating to the Offer, without notice to any recipient of the Prospectus or any Applicant. This includes, although is not limited to, varying the Applications Closing Date.

5.18 Enquiries

This document is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, lawyer, accountant or other professional adviser.

All enquiries in relation to this Prospectus should be directed to the Company Secretary on Phone (07) 3831 9154.
Overview of business

Alligator is a uranium exploration company with prospective, drill ready uranium targets on granted tenements in Australia’s world class uranium province, the ARUP in the Northern Territory. Alligator’s geologists and Technical Advisors have substantial experience in the ARUP and will be exploring the region using exploration models that are specifically targeted to the region.

The ARUP is one of the premier uranium provinces in the world characterised by outstanding uranium endowment and high average grades, demonstrated by it hosting in excess of 950Mlb U₃O₈ in resources and past production. The ARUP offers arguably the best opportunity globally for the discovery of further large, high grade and economically feasible uranium deposits in a stable political environment.

The province hosts several world class, high grade uranium deposits with the indication that more remain undiscovered, including the Ranger No 1 and No 3 deposits which have to date produced over 200Mlb of U₃O₈ for export and have over 300Mlb U₃O₈ in resources remaining. The Jabiluka deposit is one of the world’s largest uranium deposits, having a resource in excess of 300Mlb U₃O₈ at grades of 0.5% U₃O₈ In western Arnhem Land, the Narbalek mine produced 24Mlb U₃O₈ from what remains Australia’s highest grade uranium deposit (average grade of 1.9% U₃O₈ through production). The Narbalek mine, which is located within 20 km of Alligator’s main projects, is now rehabilitated and has provided a positive example of uranium mining to the local community.

Despite the endowment of this terrane, there has been relatively little exploration in West Arnhem Land due to past government policies, and can be considered one of the last remaining, under-explored world class provinces. Furthermore, past exploration has been, to an extent, driven by Canadian exploration models which may not be applicable in this region. The recent discovery of the Ranger Deeps mineralisation and the occurrence of the Jabiluka 2 deposit demonstrates that uranium mineralisation in this region can extend deep into basement rocks in contrast to the unconformity model recognised in the Canadian Athabasca Basin.

Alligator management and its Advisory Panel have substantial experience in the region and in relation to working on Aboriginal Lands which provides the company with a genuine competitive advantage.

The Alligator tenements are located 50 km to the east of the Ranger and Jabiluka deposits and approximately 275 km to the east of Darwin. Vehicular access is via sealed road to Cahill’s Crossing and thence via well formed unsealed roads to the semi permanent Myra Camp on Tin Camp Creek.

Alligator (through a wholly-owned subsidiary) has acquired three prospective granted exploration tenements which comprise the Tin Camp Creek Project, which were purchased from Cameco following a competitive bidding process. The Tin Camp Creek Project area contains several prospects with high grade uranium drill intersections which have not been comprehensively explored.

Alligator has also made 11 exploration licence applications in the ARUP through its wholly-owned subsidiary, Northern Prospector. The applications cover areas of the ARUP that Alligator consider to have favourable geological and structural characteristics including anomalous uranium and precious metal drill intersections.

The Northern Territory is a favourable jurisdiction for uranium exploration as it has had operating uranium mines since the 1950’s and has been a significant exporter of uranium from Ranger 1 and 3 since the 1980’s. The Northern Territory Government actively encourages uranium exploration and mining and the Port of Darwin is licensed for the export of uranium.

The traditional owners in west Arnhem Land are familiar with uranium mining, with the high grade Nabarlek Mine having been mined and rehabilitated. The traditional owners have agreed to allow access for uranium exploration on the Tin Camp Creek Project. The Tin Camp Creek Tenements are granted under deeds of agreement with the NLC, on behalf of the traditional owners. These deeds provide for exploration access and include terms relating to future mining, including uranium mining, on the Tin Camp Creek Project.

Alligator currently has 80,335,000 fully paid shares on issue following capital raisings to purchase the Tin Camp Creek Project from Cameco and the share-for-share purchase of Northern Prospector. Alligator is well resourced with an experienced Board and successful Management team in place.

Tin Camp Creek assets

Alligator’s principal assets are its interests in the Tin Camp Creek Project in the Northern Territory.

The Tin Camp Creek Project comprises the Tin Camp Creek Tenements:

(a) substitute exploration licence 24921 (SEL 24921);
(b) substitute exploration licence 24922 (SEL 24922); and
(c) exploration licence 25002 (EL 25002).
Alligator has a 98% interest in SELs 24921 and 24922 and a 100% interest in EL 25002. WAC holds the remaining 2% of SELs 24921 and 24922 and a joint venture agreement is in place between TCC Project and WAC to govern the development of the SELs (WAC JVA). The history and operation of the WAC JVA is explained further in the material contracts section of this prospectus (section 15.21). The total area of the Tin Camp Creek Tenements is 282.93 sq km.

6.3 Brief history of Tin Camp Creek Tenements

Areas within the Tin Camp Creek Tenements have been explored intermittently since 1970. This exploration has resulted in the discovery of the Caramal Deposit, South Horn Prospect, North-East Myra Prospect and Two Rocks Prospect, which have been the subject of considerable drilling and exploration.

Previous holders of exploration tenements within the area of the Tin Camp Creek Tenements include Cameco, Afneco Mining & Exploration Pty Ltd and QMPL.

6.4 Acquisition of Tin Camp Creek Tenements and continuing WAC interest

Alligator’s wholly owned subsidiary TCC Project entered into a sale agreement with Cameco on 8 September 2010 to purchase, for A$2.75m:

(a) 98% of SELs 24921 and 24922; and
(b) 100% of EL 25022.

As noted in paragraph 6.2 above, the remaining 2% of SELs 24921 and 24922 is held by WAC.

Completion of the Cameco sale agreement occurred on 14 October 2010 and TCC Project subsequently lodged the necessary forms with the Northern Territory Government to register the transfer of the TCC Tenements. Approval of the transfer of the above interests in TCC Tenements to TCC Project took place on 19 November 2010.

6.5 Term, renewal and conversion to mining leases

SELs 24921 and 24922 were granted on 30 May 2007 for an initial period of four years. EL 25002 was granted on 2 September 2008 for an initial period of six years.

Subject to the Mining Act:

(a) each of the Tin Camp Creek Tenements may be renewed twice, on each occasion for a further two years (although under the soon to be commenced Mineral Titles Act 2010 (NT), there is no restriction on the number of times the Minister can renew an exploration licence); and
(b) TCC Project may apply for mineral leases over the area of the Tin Camp Creek Tenements to mine uranium.

6.6 Northern Prospector assets

On 17 August 2010 Alligator acquired (from shareholders including Greg Duncan and Rob Sowerby) all of the shares in Northern Prospector in exchange for 10 million Shares in Alligator at an issue price of 10 cents ($1,000,000 worth of Alligator Shares). Northern Prospector has eleven current applications for exploration licences in the Northern Territory (Northern Prospector ELAs). These are ELAs 27250, 27251, 27252, 27253, 27777, 27778, 28176, 28293, 28315, 28389 and 28390.

The Northern Prospector ELAs are non-contiguous and cover a total area of approximately 415 square kilometres. They are located to the west and north-west of Jabiru and in each case are approximately 50 to 100 kilometres from Jabiru.

Alligator expects the Northern Prospector ELAs to be granted over the next two to three years, subject to the outcomes of further meetings and negotiations with the NLC.

Following grant of the Northern Prospector ELAs, Alligator intends to commence an exploration program in the area of the Northern Prospector ELAs for uranium, gold and rare earth minerals.

Alligator is not aware of any out of the ordinary course of business type liabilities attaching to the Northern Prospector ELAs or Northern Prospector, which may affect the value of Alligator.

See section 15.21 for details of other arrangements with Greg Duncan, Rob Sowerby and Northern Prospector.

6.7 Other assets

Alligator also holds the following interests:

(a) 100% of the shares in Asia Pacific Gold Corporation Pty Ltd (ACN 113 025 657), which in turn holds New South Wales EL 6490;
(b) 100% of the shares in Chillagoe Resources Pty Ltd (ACN 114 969 041), which in turn holds Queensland EPM 15707;
(c) beneficial interests in Queensland EPM 13841; and
(d) New South Wales EL 7561.

These assets are of no strategic value and do not constitute core business. Alligator intends to divest these assets in the near term. Alligator is not aware of any extraordinary liabilities attaching to these assets which may affect the value of Alligator.
7.1 Overview

Alligator has implemented an active strategy to acquire exploration assets in the ARUP. By the purchase of the Tin Camp Creek Project from Cameco and the acquisition of Northern Prospector, Alligator has secured a prospective land holding in the region and a potential pipeline of quality projects. The Tin Camp Creek Project consists of 283 sq km of granted tenements covering the prospective Myra Falls Inlier and contains the Caramal Deposit and a number of prospects with known uranium mineralisation. The project area contains extensive areas of the prospective Cahill Formation (host to nearly 1 billion pounds U₃O₈ in the ARUP), large alteration systems and high grade uranium intersections. The main prospects are discussed below.

The Northern Prospector ELAs are located over areas which are considered to be prospective for uranium mineralisation due to favourable structures and basement stratigraphy (either outcropping or concealed by Kombolgie Sandstone) based on Alligator’s knowledge of the regional geology of the province. There are currently two main project areas of interest. ELAs 27252, 27253, 28176, 28293 and 28315 are located in an area broadly between the Tin Camp Creek and Narbalek and have been pegged to explore prospective basement stratigraphy and structures interpreted to occur in these areas. ELA 28293 includes the historic Steven’s prospect where previous drilling has intersected anomalous uranium as well as gold and palladium mineralisation.

A second group of tenements, ELAs 27777, 27778, 28389 and 28390 occur in the King River Area located 20 km north of Nabarlek. Alligator considers that prospective tectono-stratigraphic zones occur in the area based on geophysical interpretations, compilations of previous work and recent work undertaken by the Northern Territory Geological Survey which has redefined Archaean basement complexes in the region. There has been little systematic exploration in these areas.

Alligator intends to expeditiously advance these applications to grant during the next 18 months to provide an ongoing pipeline of projects. The Northern Prospector ELAs occur over areas which have recently been under granted tenements. Northern Prospector has held initial meetings with the NLC and traditional owners for the first of these applications with positive outcomes.

Basic details of each tenement in which Alligator Group companies have an interest are set out in the following table. More comprehensive information is set out in the Tenement Report in Section 11, together with the Independent Geologists Report set out in Section 13.
The Tin Camp Creek Project

The Tin Camp Creek Project consists of two Substitution Exploration Licences (SELs): SEL 24921 (29 sub-blocks, or 76.79 sq km) and SEL 24922 (70 sub-blocks or 194.59 sq km), and an Exploration Licence EL 25002 (4 sub-blocks or 11.55 sq km) for a total of 282.93 sq km, and are located 15 km south of the Nabarlek mine site. The tenements cover the Myra Falls inlier which has substantial areas of the prospective Cahill Formation overlain in places by the lower Kombolgie Sub-group sandstone.

The Tin Camp Creek Project area has been explored intermittently since 1970 resulting in the discovery of the Caramal deposit, South Horn prospect, NE Myra prospect, Two Rocks prospect and Gorrunghar prospect. There are also a number of untested radiometric anomalies and the Razorback gold prospect which has been subject to limited follow up work. Exploration potential exists for uranium (and gold) both at the known prospects and regionally in the tenement package.

Access, Facilities and Logistics

The Tin Camp Creek Project area is accessed via an unsealed road which turns south off the Arnhem Highway (unsealed) to Nabarlek mine road. The Myra Camp is situated in SEL 24922 adjacent to Tin Camp Creek and was originally established by Uranerz in 1987. The infrastructure consists of four ATCO semi demountable buildings including a kitchen and shower, ablution block, two large workshops and storage sheds. Water is pumped from Tin Camp Creek and power supplied by a diesel generator. The camp has a helicopter pad.

The existing road and track system provides access to Caramal, South Horn and Two Rocks. Road maintenance will be conducted following the wet season.

The camp and permitted facilities allow Alligator to commence exploration in 2011. Access agreements are in place with the Traditional Owners of the area and exploration is expected to start on the main prospects at the start of the 2011 dry season.

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TENEMENT REGISTER – TCC PROJECT AND NORTHERN PROSPECTOR

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7.3 Caramal Deposit

The Caramal deposit and prospect is one of the more significant occurrences of uranium mineralisation in the ARUP outside of the Ranger-Jabiluka mining camp. The deposit was discovered in 1971 by QMPL which undertook the initial resource drilling program.

Significant uranium mineralisation has been identified in 20 drill holes in the broader prospect area. High grade mineralisation is associated with strongly chloritised meta-arkoses of the lower Cahill Formation. Mineralisation at Caramal exhibits many of the characteristics of the major uranium deposits of the ARUP including:

- Association with meta-sediments of the lower Cahill Formation.
- Association with intense chlorite alteration.
- Similar to the Ranger deposits, occurring adjacent to Archaean basement contact.
- Similar to Ranger and Jabiluka in being adjacent to Carbonate facies lithologies.
- Association with structural deformation of the host rocks.

A selection of significant intersections is provided in the following table.

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The Caramal deposit is a continuous body of mineralisation which appears to trend in a ENE direction over a defined strike length of approximately 200 metres. The mineralised zone occurs broadly in proximity to a generally barren dolerite intrusion. This zone is relatively well defined by close spaced drilling. The western half of the deposit outcrops while the eastern half of the deposit is overlain by Kombolgie Sandstone. To the east of this zone the drill spacing becomes wider.

Weaker uranium mineralisation has been identified to the northeast indicating that mineralisation may continue in this direction.

In addition, anomalous thorium and rare earth mineralisation has been identified in drilling in the wider Caramal prospect area, although laboratory analysis has been limited to only a few selected spot samples. Best rare earth element analyses to date include:

<table>
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Alligator considers there to be potential to discover extensions to the known mineralisation at Caramal. Alligator’s exploration model is based on a synthesis of past work and the geologists’ own past experience in the ARUP. Mineralisation is interpreted to be structurally controlled as is the case for other similar deposits in the region, including Narbalek, Koongarra and Ranger. Mineralisation is associated with deformation zones within the metasediments that are semi conformable with the north-west dipping basement contact, quartz chlorite zones mapped by previous workers and gross lithological layering.

The deposit and wider prospect area is cross-cut by major north-south trending faults. These faults are considered by Alligator to post date mineralisation and therefore displace the mineralised zone. The relative offset is interpreted from previous drilling results and airborne magnetic survey data. The offset of the dolerite which intrudes the Caramal deposit is evident in airborne magnetic data. Mineralisation is interpreted to have been similarly displaced. The interpreted offset continuation of this mineralisation has not been tested by drilling and is considered by Alligator to be a high priority target.
Furthermore Alligator considers that the occurrence of mineralisation at Jabiluka and Ranger demonstrates that mineralisation can extend deep into the basement. In the case of Jabiluka, the main deposit (Jabiluka 2) occurs some 500 metres down dip of a relatively small, near-surface deposit (Jabiluka 1). Alligator considers that similar relationships may occur in the Caramal area.

Alligator propose to test a number of specific targets at Caramal during the first year:

- Potential for a deeper shoots plunging to the north-east in the central portion of the known Caramal deposit.
- The interpreted offset continuation of Caramal mineralisation to the south-east of the known deposit.
- North-east trending structural targets initially recognised by early explorers in the early 1970’s.

Alligator also considers that alteration along strike of known mineralisation indicates a continuation of the broader hydrothermal system to the east and that concealed Jabiluka style mineralisation may be present. Alligator therefore intends to target the area to the east of past drilling.

Alligator plans to drill approximately 8,000 metres of diamond drilling in the Caramal prospect area during the first two years of exploration targeting the above mentioned targets and concepts. Drilling will be preceded by a detailed airborne magnetics and electro-magnetic survey over the Caramal area. Drilling will be evenly divided between defining the resource in the known deposit area, testing for extensions to the known mineralisation including the offset continuation and finally testing for a Jabiluka style occurrence to the east of historic exploration towards the Beatrice Fault.

Preliminary investigation of rare earth element potential will be undertaken, including re-sampling of existing core and rock geochemistry of outcropping thorium rich quartzites to the immediate west of the Caramal deposit.

### 7.4 South Horn Prospect

The South Horn prospect occurs within a 4km long complex of radiometric anomalism located adjacent to the regionally significant Beatrice Fault. The area was originally discovered and explored by Afmeco in the late 1990’s. A number of radiometric anomalies were tested initially by shallow geochemical drilling and then by deeper reverse circulation and diamond drilling. Best drill intersections included drill holes SHD-4, (15m @ 0.47% U₃O₈ from 63.0m) and SHD-6, (13m @ 0.21% from 30m). Anomalous uranium assays were also returned from drill holes SHD-18, (23m @ 238ppm U₃O₈ from 29m) and SHD-24, (17m at 392ppm U₃O₈ from 7m) which are located 3.5km and 2.5km further to the north respectively. A number of other drill holes have significant anomalous downhole gamma responses but have not been assayed by chemical techniques. These holes include SHD-2, SHD-3 and SHD-32. The distribution of these drill intersections indicates an extensive zone of uranium anomalism.

Uranium mineralisation and anomalism in the South Horn area is associated predominantly with dolerite located to the east of the Beatrice fault. The mineralisation is associated with fracture and breccia intervals dominated by quartz-haematite and chlorite alteration. These zones are interpreted to be associated with splay zones from the Beatrice Fault, however there is insufficient drilling density in the prospect area to determine the geometry and extent of mineralisation.

A number of prominent radiometric anomalies remain untested along the South Horn trend. A priority target for Alligator are two significant radiometric anomalies located in the northern part of the South Horn trend. A splay of the Beatrice Fault is interpreted to bisect these two anomalies. Drill hole SHD-24 (17m at 392ppm U₃O₈) occurs adjacent to these anomalies, however does not test either anomaly.

On the western side of the Beatrice Fault, sandstone of the Kombolgie Formation overlies gneissic lithologies and migmatites of the Nimbuwah complex and meta-pelites of the prospective Cahill Formation. Drilling undertaken on the western side of the fault has been limited, however drill hole SHD-32, located on the south-western tip of the South Horn area, intersected anomalous uranium as indicated by down-hole gamma surveys and strong chloritisation of Cahill Formation schists. The surrounding area remains untested.
Alligator intends to further drill the South Horn prospect to better define the structural orientation and continuity of known mineralisation in the vicinity of SHD-4 and to test prominent untested radiometric anomalies located adjacent to anomalous uranium drill intercepts in drill hole SHD-24. Anomalous uranium indicated in SHD-32 within chlorite altered Cahill Formation equivalents is considered by Alligator to indicate broader potential for unconformity style mineralisation to the west of the Beatrice Fault. This area remains largely untested and will be evaluated by Alligator using geophysical techniques and diamond drilling. An initial drilling program of 1,500 metres of diamond drilling is planned for the first year followed by a further 2,000 metres during the second year.

7.5 Two Rocks

The Two Rocks prospect area is considered prospective due to the presence of uranium mineralisation, intensive hydrothermal alteration and favourable host lithologies. Past exploration has delineated two small zones of copper and uranium mineralisation. Best recorded intersections include 4m at 0.82% U₃O₈ from 71m MRD-101, 4m at 1821ppm U₃O₈ from 9m in MRR-47, and 12m @ 562ppm U₃O₈ from 6m in MRB093. Anomalous copper was also intersected in MRB-93 (12m at 1% Cu) and MRB048 (30m at 0.27% Cu).

Mineralisation at Two Rocks occurs in the “Two Rocks Unit” which is interpreted to be a sub-unit of the Cahill Formation and is comprised of calc-silicate gneisses, marbles, garnet-rich schists, biotite gneiss, mica schist, graphitic-pyritic schists, quartzites and amphibolites.

Mineralisation is associated with intense chlorite alteration. The local geology is interpreted to consist of a shallow dipping recumbent fold which is bound to the east by an interpreted thrust fault. The intersection of this fault and the prospective horizon is considered by previous explorers and by Alligator to be highly prospective for uranium mineralisation.

A high priority target for Alligator is a prominent radiometric anomaly which is broadly coincident with an electromagnetic conductivity anomaly located in the interpreted position of the target thrust fault zone. The conductive zone is interpreted to be graphitic material within the fault zone which would represent a highly prospective target for uranium mineralisation. This target area occurs along strike and to the northeast of mineralisation intersected in previous drilling and remains untested.

Gorrunghar – Mordjimuk

Work during first year will include detailed ground radiometric surveys along the Two Rocks trend. Data from previous electro-magnetic surveys undertaken in the area will be reprocessed and re-interpreted. An initial program of 500 metres of diamond drilling is planned for the first year to test the priority radiometric and electro-magnetic anomalies.

Gorrunghar was costeaned and percussion drilled in the early 1970s by QML. Some zones of highly anomalous uranium values were found close to the surface. No work has been undertaken on this prospect since 1973, largely due to political restrictions between 1973 and 1996. The prospect is located in schists of the Cahill Formations close to a dolerite contact. Uranium mineralisation was intersected in two drillholes as follows:

<table>
<thead>
<tr>
<th>HOLE ID</th>
<th>FROM</th>
<th>TO</th>
<th>INTERSECTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCGOR0005</td>
<td>25.08</td>
<td>40.92</td>
<td>15.84m@1214ppm U₃O₈</td>
</tr>
<tr>
<td>TCGOR0006</td>
<td>1.32</td>
<td>9.9</td>
<td>8.58m@3288ppm U₃O₈</td>
</tr>
</tbody>
</table>
A steeply southeast plunging zone is interpreted which is open at depth and to the southwest.

Mordijimuk was costeaned and percussion drilled during the 1970's. No work has been undertaken since 1973. The radioactivity in the costeans appears to be due to weathered chloritised amphibolite. The prospect occurs along strike from Gorrunghar. Data on these prospects is sparse. However, the uranium mineralisation indicated in historic drilling results is considered to warrant further investigation.

Ground inspection, mapping and radiometric surveys will be undertaken on the Gorrunghar and Mordjimuk prospects during the first year, followed by a diamond drilling program (500 metres) during the second field season.

Other Prospects and Regional Exploration

Alligator considers the broader Tin Camp Creek Project area to have potential for the discovery of blind uranium deposits under shallow to moderate depths of Kombolgie Sandstone cover. Past scout drilling and geophysical surveys indicate that prospective Cahill Formation lithologies occur under the Kombolgie Sandstone in much of the northern part of the project area and between Caramal and South Horn. Radon springs emanating from the base of the sandstone in the northern part of the project area are possibly sourced from concealed uranium mineralisation in this area. Of particular interest are electromagnetic anomalies known to occur in the northern part of the Tin Camp Creek Tenements.

It is planned to undertake approximately 1500 metres of diamond drilling on regional targets during the second year following detailed reprocessing and reinterpretation of past geophysical survey data.

In addition to the uranium targets, the Razorback gold prospect occurs in the central part of the Tin Camp Creek Project area. The prospect was identified by stream sediment sampling and soil sampling undertaken by Almeco in the late 1990s. A coherent zone of gold in soil anomalism was defined. Peak soil anomalism (100ppb Au, maximum of 546ppb Au) extends over a strike length of 250 metres and is open to the north. Whilst no drilling has been undertaken, it is considered the anomalous zone overlies the interpreted position of lower Cahill Formation equivalent lithologies. Gold is commonly associated with uranium mineralisation in the ARUP. Alligator intend to diamond drill the Razorback soil anomaly during the second exploration year.
8.1 Uranium Industry Overview

The increasing global demand for uranium is driven by the increase in nuclear power plants which provide carbon emission free base load power. This rapidly increasing utilisation of nuclear power in Asia and around the world is placing strain on the existing supply of uranium, increasing prices and creating an opportunity for new mines to be economically developed.

8.2 Uranium pricing

The market for uranium is highly sensitive to fluctuations in supply. ABARE forecast the uranium spot price for 2010 to average US$43/lb as it expected the spot market to remain balanced. However the uranium spot price has increased by almost 517/lb since June 2010 to $58/lb in November 2010. Industry analysts noted in November that the price increase is in part related to the announcement by China that it plans to increase nuclear power generation capacity by 112 gigawatts between now and 2020.

8.3 Uranium demand

According to World Nuclear Association there are 441 commercial nuclear power reactors operating in 30 countries and a total of 383 new reactors that are under construction or planned for completion within the next 10 years (per the following figure).

ABARE note that the commissioning of nine nuclear reactors in 2011 with total capacity of 9.8 gigawatts electric (“GWe”) is forecast to increase uranium consumption by a further 4 per cent to around 84,000 tonnes U₃O₈ per annum.

Uranium demand is anticipated to continue to grow during the next 20 years, driven mostly by China. Industry analysts consider that the announced increase in China’s planned year 2020 capacity to 112 GW will have a pronounced effect on the supply-demand outlook of industry participants.

8.4 Uranium supply

According to ABARE, Australia has the world’s largest uranium resources and is currently the third largest producer in the world.

The World Nuclear Association reports that countries to which Australia exports uranium include Japan, South Korea, France, Spain, Sweden, the United Kingdom, the United States of America, Canada, Belgium and Finland. Agreements to underpin exports to China and Russia have more recently been entered into by Australia.

Uranium resources are categorised using the OECD Nuclear Energy Agency (OECD/NEA) and the IAEA classification scheme. The uranium resource estimates are for recoverable uranium, which deducts losses due to mining and milling. Uranium recoverable at less than US$80/kg U is considered to be economic at current market prices (ABARE 2010).

ABARE estimates the OECD’s reasonably assured resources recoverable (RAR) of uranium at <US$80/kg U as 3.047 Mt U, with 38.2% of this attributable to Australia.
8.5 Conclusion

The uranium endowment of Australia is large with the clear potential for increased exports and for further discoveries.

As illustrated in the following graph, a significant shortfall in supply is forecast from 2016, and this is excluding the most recent increase in proposed nuclear capacity in China. This shortfall driven by the forecast growth in demand is expected by uranium industry analysts to have a positive impact on the long term uranium price.

Alligator is well situated both to make a discovery in the well endowed ARUP and to take advantage of the growing uranium demand both in Asia and globally.
9.1 Corporate Governance

Alligator intends to adopt comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the spirit of corporate governance commensurate with Alligator’s needs. To the extent they are applicable to an entity of the nature and size of Alligator, Alligator intends to comply with the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations.

Directors consider on an ongoing basis how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as directors of Alligator. Such information must be sufficient to enable the Board to determine appropriate operating and financial strategies from time to time in light of changing circumstances and economic conditions. The Board recognises that uranium exploration is a business that carries inherent risks and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of Alligator.

As Alligator develops in size, nature and scope, the size of the Board and implementation of additional corporate governance structures will be given consideration.

The Board will comply with ASX Listing Rule 4.10 which requires the Company to provide a statement in its annual return disclosing the extent to which those best practice recommendations are followed in any reporting period, to identify any recommendations not followed and to provide reasons for their not being followed.

9.2 Board of Directors

The Board members are Denis Gately, Rob Sowerby, Paul Dickson, Andrew Vigar and Leigh Curyer. Greg Duncan is an alternate Director and Evan Hughes is the Company Secretary.

DENIS GATELY BA, LLB, FAICD – INDEPENDENT CHAIRMAN

Denis has more than 30 years’ experience working in the energy and resources sector. His experience covers on and off market sales and purchases of assets and businesses in the minerals, oil and gas and energy sectors. He has advised on related corporate structuring, joint venture arrangements and foreign investment approvals. Denis was head of Minter Ellison’s national energy and resources group (four years), a member of the firm’s national board (nine years) and a Managing Partner of the Brisbane office (six years). He joined Minter Ellison in 1985 and became a Partner in 1987. In 1989, he established the firm’s office in Hong Kong and worked there for three years.

ROBERT SOWERBY – B.APP.SCI, M.ENV.ENG., MAIG DIRECTOR & CEO

Robert has 23 years experience in the resource industry. He has diverse experience in mineral exploration, project generation, evaluations and assessments, ore reserve estimation, and in stakeholder negotiations. He has exploration and resource evaluation experience in uranium, gold, nickel and base metals in the complete spectrum of geological environments. His primary expertise is resource evaluation and assessment of uranium resources. Robert has specific expertise in the management of important issues involving the resources industry, such as indigenous ownership rights and obtaining government approvals. Robert has previously consulted to uranium explorers and miners in Australia and overseas and is technical advisor to Laramide Resources’ Westmoreland Uranium Project. He has worked for a number of major resource companies, including ERA at the Ranger mine and for North Limited / Peko Wallsend in the NT, WA, SA, NSW and Qld. In the past 5 years, Robert has worked as an Independent Consultant in Australia and overseas, principally in uranium.

PAUL DICKSON – B.ED. F FIN GRAD DIP TA NON-EXECUTIVE DIRECTOR

Paul has over 20 years experience in the finance services industry. He has worked with a number of stock broking firms including Ord Minnett Ltd and Colonial Stock-broking Limited and more recently has been a director of a number of corporate advisory boutiques.

Paul is currently a director of DDM Capital Pty Ltd, which provides a range of services including capital raising and general corporate advice for small-cap companies. Paul is also a non-executive director of ASX listed Terrain Minerals Limited.
9.3 Key management personnel

The key management personnel of Alligator are Rob Sowerby and Greg Duncan. Alligator also has an Advisory Panel comprising The Hon. Tony McGrady, Andy Browne and Tracker Tilmouth.

This team combines exploration excellence with Rob and Andy, experience in indigenous relations with Greg and Tracker, legal and corporate acumen with Denis and Leigh, and finance and management skills with Paul and Andrew and political advisory from Tony.

9.4 Advisory Panel

THE HON. TONY MCGRADY AM

The Honourable Tony McGrady was a Member of Parliament for Queensland (Mount Isa) for 18 years until his retirement at the 2006 State Election. During his career in the Queensland Parliament, Tony held Ministries in the Mines and Energy, Police and Corrective Services and State Development and Innovation portfolios. He also served as the Speaker of the Parliament. He is a life member of the Australian Labor Party (“ALP”). Tony was awarded the honour of Member of the Order of Australia (“AM”) in January 2010.

ANDREW BROWNE B.SC. MAUSIMM.

Andy Browne has over 40 years of experience in uranium exploration and company management in Australia and North America. He is recognised as one of Australia’s leading experts on uranium exploration and resource evaluation and has provided consulting services on uranium projects worldwide. He has particular experience with the ARUP dating back to the discovery of uranium in this area in 1969. He has a deep knowledge of this area having worked in the area for many years for Geopeko and subsequently as an expert consultant to ERA on the Ranger deposits and Jabiluka. Andy has published numerous technical papers on the ARUP uranium deposits.

TRACKER TILMOUTH B.SC.

Tracker is one of Australia’s most prominent indigenous business leaders. He brings to Alligator his depth of experience in the Northern Territory, including his time as Executive Director of the Central Land Council (1994 – 1999) and advisory roles to the NLC. Tracker has represented Australia on the Indigenous Working Group at the United Nations and has been heavily engaged in facilitating sound and productive outcomes between mining interests and traditional owners.
10.1 Financial Information

This Section sets out the historical financial information and pro forma financial information for the company.

The financial information has been prepared by management and adopted by the Board. The Directors are responsible for the inclusion of the Financial Information, including determination of any adjustments. Lawler Hacketts Corporate Advisory have prepared an Investigating Accountant’s Report in respect of the financial information and a copy of this report is contained in section 12.

All financial information set out in this Section should be read in conjunction with the other information contained within this Section, the Investigating Accountant’s Report included in Section 12 and other information contained in this Prospectus.

The financial information consists of the balance sheet and pro-forma balance sheet of the Company at 31 October 2010. The financial information is set out in Section 10.2 and the accounting policies upon which they are prepared are set out in note 1 in Section 10.5. The balance sheet and pro-forma balance sheets are presented in an abbreviated form insofar as they do not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial reports in accordance with the Corporations Act 2001.

The pro-forma balance sheet reflects the proposed financial structure of the Company after completion of the Offer, on the basis of the following significant transactions which have occurred subsequent to 31 October 2010, and those assumptions and transactions contemplated by this Prospectus, having occurred as at 31 October 2010:

(a) Issue of 6,100,000 ordinary Shares at 10 cents each to raise an additional $610,000 in seed capital;
(b) Allotment of 50,000,000 ordinary Shares (Minimum Subscription) and 75,000,000 ordinary Shares (Maximum Subscription) at 20 cents each, being $10,000,000 (Minimum Subscription) and $15,000,000 (Maximum Subscription);
(c) Issue of 6,250,000 options to Directors on 22 November 2010 which are exercisable at 20 cents on or before 21 November 2015. The options vest over three years and have been independently valued using the Black-Scholes option pricing model. The accounting cost for this period is calculated at $115,791. This amount has been included in the pro-forma balance sheets as an expense and adjustment to the option reserve;
(d) The estimated cash issue expenses associated with the preparation of the Prospectus and capital raising are $740,000 (minimum subscription) and $1,040,000 (maximum subscription) being offset against the share capital raised; and
(e) Issue of 2 million options to the brokers for nil consideration which are exercisable at 20 cents on or before the third anniversary of the date of issue. The options have been valued using the Black-Scholes option pricing model at $220,800 and are considered to be a non cash Issue expense.

The balance sheet as at 31 October 2010 does not include any of the abovementioned transactions.
## 10.2 Balance Sheet as at 31 October 2010

<table>
<thead>
<tr>
<th>NOTE</th>
<th>ACTUAL $</th>
<th>PRO FORMA MINIMUM $</th>
<th>PRO-FORMA MAXIMUM $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents (section 10.4)</td>
<td>340,399</td>
<td>10,210,399</td>
<td>14,910,399</td>
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<tr>
<td>Trade and other receivables</td>
<td>228,902</td>
<td>228,902</td>
<td>228,902</td>
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<tr>
<td>Total Current Assets</td>
<td>569,301</td>
<td>10,439,301</td>
<td>15,139,301</td>
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<tr>
<td><strong>NON-CURRENT ASSETS</strong></td>
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<tr>
<td>Plant and equipment</td>
<td>2,876</td>
<td>2,876</td>
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<tr>
<td>Exploration expenditure</td>
<td>5,125,112</td>
<td>5,125,112</td>
<td>5,125,112</td>
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<tr>
<td>Total Non-Current Assets</td>
<td>5,127,988</td>
<td>5,127,988</td>
<td>5,127,988</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>5,697,289</td>
<td>15,567,289</td>
<td>20,267,289</td>
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<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Trade and other payables</td>
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<td>301,249</td>
<td>301,249</td>
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<tr>
<td>Total Current Liabilities</td>
<td>301,249</td>
<td>301,249</td>
<td>301,249</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT LIABILITIES</strong></td>
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<tr>
<td>Total Liabilities</td>
<td>301,249</td>
<td>301,249</td>
<td>301,249</td>
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<tr>
<td><strong>NET ASSETS</strong></td>
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<td>15,266,040</td>
<td>9,966,040</td>
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<tr>
<td><strong>EQUITY</strong></td>
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<td></td>
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<tr>
<td>Contributed equity (section 10.3)</td>
<td>6,196,360</td>
<td>15,845,560</td>
<td>20,545,560</td>
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<tr>
<td>Reserves</td>
<td>115,510</td>
<td>452,101</td>
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<td>Retained profits (losses)</td>
<td>(915,830)</td>
<td>(1,031,621)</td>
<td>(1,031,621)</td>
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<td>Total Equity</td>
<td>5,396,040</td>
<td>15,266,040</td>
<td>19,966,040</td>
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## 10.3 Contributed Equity

<table>
<thead>
<tr>
<th></th>
<th>SHARES</th>
<th>ISSUE PRICE $</th>
<th>CONTRIBUTED EQUITY $</th>
<th>OPTIONS NUMBER</th>
</tr>
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<tr>
<td><strong>Balance as at 30 June 2010</strong></td>
<td>40,465,000</td>
<td>2,819,360</td>
<td>6,500,000</td>
<td>(1)</td>
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<tr>
<td><strong>Shares issued 28 September 2010</strong></td>
<td>15,000,000</td>
<td>0.10</td>
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<tr>
<td><strong>Capital raising</strong></td>
<td>18,770,000</td>
<td>0.10</td>
<td>1,877,000</td>
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<tr>
<td><strong>Options issued 1 July 2010</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Options cancelled 11 October 2010</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,500,000)</td>
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<tr>
<td><strong>Balance 31 October 2010</strong></td>
<td>74,735,000</td>
<td>6,196,360</td>
<td>7,000,000</td>
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</table>

### POST 31 OCTOBER 2010 ISSUES

#### Minimum Offer:

<table>
<thead>
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<th></th>
<th>SHARES</th>
<th>ISSUE PRICE $</th>
<th>CONTRIBUTED EQUITY $</th>
<th>OPTIONS NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity as at 31 October 2010</strong></td>
<td>74,235,000</td>
<td>6,196,360</td>
<td>7,000,000</td>
<td></td>
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<tr>
<td><strong>Seed capital issued 10 November 2010</strong></td>
<td>6,100,000</td>
<td>0.10</td>
<td>610,000</td>
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<tr>
<td><strong>Issued under the Prospectus</strong></td>
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<tr>
<td><strong>Issued to Directors</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6,250,000</td>
</tr>
<tr>
<td><strong>Issue to Broker</strong></td>
<td>-</td>
<td>-</td>
<td>(220,800)</td>
<td>2,000,000</td>
</tr>
<tr>
<td><strong>Cost of issue</strong></td>
<td>-</td>
<td>-</td>
<td>(740,000)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>130,335,000</td>
<td>15,845,560</td>
<td>15,250,000</td>
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</table>

#### Maximum Offer:

<table>
<thead>
<tr>
<th></th>
<th>SHARES</th>
<th>ISSUE PRICE $</th>
<th>CONTRIBUTED EQUITY $</th>
<th>OPTIONS NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity as at 31 October 2010</strong></td>
<td>74,235,000</td>
<td>6,196,360</td>
<td>7,000,000</td>
<td></td>
</tr>
<tr>
<td><strong>Seed capital issued 10 November 2010</strong></td>
<td>6,100,000</td>
<td>0.10</td>
<td>610,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Issued under the Prospectus</strong></td>
<td>75,000,000</td>
<td>0.20</td>
<td>15,000,000</td>
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<td><strong>Issued to Directors</strong></td>
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<td>-</td>
<td>-</td>
<td>6,250,000</td>
</tr>
<tr>
<td><strong>Issue to Broker</strong></td>
<td>-</td>
<td>-</td>
<td>(220,800)</td>
<td>2,000,000</td>
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<tr>
<td><strong>Cost of issue</strong></td>
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<td>-</td>
<td>1,040,000</td>
<td>-</td>
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<tr>
<td><strong>Total</strong></td>
<td>155,335,000</td>
<td>20,545,560</td>
<td>15,250,000</td>
<td></td>
</tr>
</tbody>
</table>

### Notes:

1) Options issued 7 May 2010 for nil consideration, exercisable at 20 cents with a three year life.

2) Options issued 1 July 2010 to the Managing Director for nil consideration. 1,000,000 exercisable at 35 cents on or before 31 August 2012 and 1,000,000 which are exercisable at 45 cents on or before 30 June 2013.

3) Options issued 22 November 2010 for nil consideration which are exercisable at 20 cents on or before 21 November 2015.

4) Options to be issued to the broker for nil consideration which are exercisable at 20 cents each for a period of three years after issue date.
10.4 Reconciliation of cash

<table>
<thead>
<tr>
<th>Description</th>
<th>PRO-FORMA MAXIMUM $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash as at 31 October 2010</td>
<td>340,399</td>
</tr>
<tr>
<td>Seed capital 10 November 2010</td>
<td>610,000</td>
</tr>
<tr>
<td>Issued under the Prospectus</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Issued under the Prospectus</td>
<td></td>
</tr>
<tr>
<td>Cash issue expenses</td>
<td>(740,000)</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>10,210,399</td>
</tr>
</tbody>
</table>

10.5 NOTES TO THE BALANCE SHEET

AS AT 31 October 2010

10.5.1 Summary of Significant Accounting Policies

The balance sheet and pro-forma balance sheets have been prepared in accordance with the measurement requirements of Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001. The balance sheet and pro-forma balance sheets are presented in an abbreviated form as they do not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial reports in accordance with the Corporations Act 2001.

Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (“AIFRS”). Compliance with AIFRS ensures that the balance sheet and pro-forma balance sheets comply with the measurement requirements of International Financial Reporting Standards (“IFRS”).

Historical Cost Convention

These financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company’s accounting policies.

These estimates and associated assumptions are based on historic experience and various other factors, including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgement about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and assumptions are reviewed and evaluated on an ongoing basis.

The following specific accounting policies have been adopted in the preparation of the balance sheet and pro-forma balance sheets. Unless otherwise stated, the accounting policies adopted are consistent with the accounting policies adopted for the preparation of the financial report of the company for the year ended 30 June 2010.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Plant and equipment 3 – 10 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Exploration expenditure

Expenditure is accumulated separately for each area of interest until such time as the area is abandoned or sold. The realised value of the expenditure carried forward depends on any commercial results that may be obtained through successful development and exploration of the area of interest or alternatively by its sale. 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 income in the year of abandonment. Some exploration expenditure may also be written off where areas of interest are partly relinquished. In cases where uncertainty exists as to the value, provisions for possible diminution in value are established.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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 taxation authority is included with other receivables or payables in the balance sheet.
## Notes to the Balance Sheet

**AS AT 31 OCTOBER 2010**

<table>
<thead>
<tr>
<th></th>
<th>ACTUAL $</th>
<th>PRO-FORMA MINIMUM $</th>
<th>PRO-FORMA MAXIMUM $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>10.5.2 CURRENT ASSETS - TRADE AND OTHER RECEIVABLES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>212</td>
<td>212</td>
<td>212</td>
</tr>
<tr>
<td>GST receivable</td>
<td>50,336</td>
<td>50,336</td>
<td>50,336</td>
</tr>
<tr>
<td>Tenement bonds</td>
<td>178,354</td>
<td>178,354</td>
<td>178,354</td>
</tr>
<tr>
<td></td>
<td>228,902</td>
<td>228,902</td>
<td>228,902</td>
</tr>
<tr>
<td><strong>10.5.3 NON CURRENT ASSETS - PLANT AND EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and equipment - at cost</td>
<td>3,045</td>
<td>3,045</td>
<td>3,045</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(169)</td>
<td>(169)</td>
<td>(169)</td>
</tr>
<tr>
<td></td>
<td>2,876</td>
<td>2,876</td>
<td>2,876</td>
</tr>
<tr>
<td><strong>10.5.4 NON CURRENT ASSETS - EXPLORATION INTERESTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exploration expenditure</td>
<td>5,125,112</td>
<td>5,125,112</td>
<td>5,125,112</td>
</tr>
<tr>
<td><strong>10.5.5 CURRENT LIABILITIES - TRADE AND OTHER PAYABLES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade creditors</td>
<td>220,333</td>
<td>220,333</td>
<td>220,333</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>80,916</td>
<td>80,916</td>
<td>80,916</td>
</tr>
<tr>
<td></td>
<td>301,249</td>
<td>301,249</td>
<td>301,249</td>
</tr>
<tr>
<td><strong>10.5.6 RESERVES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option reserve</td>
<td>115,510</td>
<td>452,101</td>
<td>452,101</td>
</tr>
<tr>
<td><strong>10.5.7 Deferred tax assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The deferred tax asset of income tax losses has not been brought to account and will only be obtained if:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. The company derives assessable income of a nature and an amount sufficient to enable the benefit from the deduction of the losses to be realised;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ii. The company continues to comply with the conditions for deductibility imposed by legislation; and</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>iii. No changes in tax legislation adversely affect the company in realising the benefit of the deduction of the losses.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 31 October 2010 the company has estimated tax losses of $5,865,000.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>10.5.8 Commitments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exploration commitments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>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 31 October 2010, are as follows:</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exploration expenditure commitments payable:</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>- within one year</td>
<td>864,500</td>
</tr>
<tr>
<td>- later than one year but not later than five years</td>
<td>2,564,500</td>
</tr>
<tr>
<td>- later than five years</td>
<td>-</td>
</tr>
</tbody>
</table>

Outlays may be varied from time to time, subject to approval of the relevant government departments, and may be relieved if a tenement is relinquished. Cash security bonds totalling $178,354 are currently held by the relevant governing authorities to ensure compliance with granted tenement conditions.
24 November 2010

The Directors
Alligator Energy Ltd
Level 4
67 St Pauls Terrace
Spring Hill Qld 4000

Dear Directors

Tenement Report

We have been requested to prepare this report (Report) on the tenement interests held by Alligator Energy Ltd (Alligator) and its subsidiaries (the Alligator Group).

This Report has been prepared for inclusion in the prospectus to be issued by Alligator on or about 24 November 2010, for the offer of up to 75 million ordinary fully paid shares at 20 cents each, to raise up to $15 million (Prospectus).

This Report has been prepared only for the purposes of the Prospectus and is not to be relied on or used for any other purpose.

In the preparation of this Report we have assumed:

(a) the accuracy and correctness of the instructions we have received as to all matters of fact; and

(b) all facts stated in the documents on which we have relied are and continue to be correct.

This Report is subject to the qualification that we have relied upon searches of publicly available information, and the extent to which this information is complete and correct will depend upon the extent to which the relevant government agencies have accurate and up-to-date records.

Subject to these assumptions and qualifications, we advise that the details of the tenement interests of the Alligator Group are as set out in Schedule 1 to this Report.

Yours faithfully

MINTER ELLISON

Contact: Scott Singleton  Direct phone: +61 7 3119 6173
Email: scott.singleton@minterellison.com
Our reference: SS 40-6499086

MINTER ELLISON GROUP AND ASSOCIATED OFFICES
ADELAIDE AUCKLAND BERLIN BRISBANE CANBERRA DARWIN GOLD COAST
HONG KONG LONDON MELBOURNE PERTH SHANGHAI SYDNEY WELLINGTON
Schedule - Tenement Report - Alligator Energy Ltd

1. Introduction

Information that is shaded in blue in the tables below has been extracted from public registry searches obtained by Minter Ellison. All other information has been provided by Alligator or is based on relevant legislation.

2. Tin Camp Creek Tenements - Northern Territory - Granted

<table>
<thead>
<tr>
<th>Tenement Number</th>
<th>Registered holder (%)</th>
<th>Tenement granted</th>
<th>Current term expires</th>
<th>Current Tenement Area</th>
<th>Approximate area in square kilometres</th>
<th>Current rent ($) (ex GST)</th>
<th>Anticipated Bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEL24921</td>
<td>TGC Project Pty Ltd (66%)</td>
<td>West Arnhem Corporation Pty Ltd (17%)</td>
<td>31 May 2007</td>
<td>29 May 2011</td>
<td>25 sml-blocks</td>
<td>83.95km²</td>
<td>$9,260</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- $145,854 under the Mining Act (NT) and the Mining Management Act (NT), and</td>
</tr>
<tr>
<td>SEL24922</td>
<td>TGC Projects Pty Ltd (66%)</td>
<td>West Arnhem Corporation Pty Ltd (26%)</td>
<td>31 May 2007</td>
<td>29 May 2011</td>
<td>63 hub-blocks</td>
<td>194.59km²</td>
<td>$20,160</td>
</tr>
<tr>
<td>EL25002</td>
<td>TGC Projects Pty Ltd (100%)</td>
<td></td>
<td>2 September 2008</td>
<td>1 September 2014</td>
<td>11.55km²</td>
<td>11.55km²</td>
<td>$80</td>
</tr>
</tbody>
</table>

* Paragraph 6.6 of this prospectus explains the tenement renewal regime in the Northern Territory.
* Exploration licences are generally subject to a requirement that their areas be reduced in accordance with section 28 of the Mining Act (NT). However, the relevant Northern Territory Minister has granted a waiver from further reduction in the tenement area of EL25002 until 2 September 2012. Further, SEL24921 and SEL24922 will not be subject to further reduction prior to the expiration of their current terms, although the areas of these tenements (if renewed) may be reduced at the discretion of the Minister.
* These rental figures have been based on prevailing rents, which may increase in future years. Further, note that pursuant to the Mining Regulations (NT), rents increase incrementally over the period exploration licenses are held.
* TGC Project Pty Ltd is a wholly owned subsidiary of Alligator.

sel_9847943_14834831
3. Exploration Licences - 100% held by Northern Prospector Pty Ltd® - Northern Territory - Applications

<table>
<thead>
<tr>
<th>Tenement Number</th>
<th>Status</th>
<th>Date of Application</th>
<th>Period applied for</th>
<th>Area applied for</th>
<th>Approximate area in square kilometres</th>
<th>First year’s rent post grant (ex GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 27290</td>
<td>Not yet granted</td>
<td>24 March 2009</td>
<td>6 years</td>
<td>13 sub-blocks</td>
<td>28.92km²</td>
<td>$130</td>
</tr>
<tr>
<td>EL 27291</td>
<td>Not yet granted</td>
<td>24 March 2009</td>
<td>6 years</td>
<td>19 sub-blocks</td>
<td>62.38km²</td>
<td>$190</td>
</tr>
<tr>
<td>EL 27292</td>
<td>Not yet granted</td>
<td>23 March 2009</td>
<td>6 years</td>
<td>6 sub-blocks</td>
<td>16.15km²</td>
<td>$60</td>
</tr>
<tr>
<td>EL 27293</td>
<td>Not yet granted</td>
<td>29 March 2009</td>
<td>6 years</td>
<td>7 sub-blocks</td>
<td>19.13km²</td>
<td>$70</td>
</tr>
<tr>
<td>EL 27777</td>
<td>Not yet granted</td>
<td>11 November 2008</td>
<td>6 years</td>
<td>9 sub-blocks</td>
<td>30.23km²</td>
<td>$90</td>
</tr>
<tr>
<td>EL 27778</td>
<td>Not yet granted</td>
<td>11 November 2009</td>
<td>6 years</td>
<td>7 sub-blocks</td>
<td>23.51km²</td>
<td>$70</td>
</tr>
<tr>
<td>EL 28176</td>
<td>Not yet granted</td>
<td>6 July 2010</td>
<td>9 years</td>
<td>12 sub-blocks</td>
<td>40.26km²</td>
<td>$120</td>
</tr>
<tr>
<td>EL 28299</td>
<td>Not yet granted</td>
<td>22 September 2010</td>
<td>6 years</td>
<td>8 sub-blocks</td>
<td>20.13km²</td>
<td>$60</td>
</tr>
<tr>
<td>EL 28319</td>
<td>Not yet granted</td>
<td>4 October 2010</td>
<td>6 years</td>
<td>18 sub-blocks</td>
<td>29.9km²</td>
<td>$180</td>
</tr>
<tr>
<td>EL 28596</td>
<td>Not yet granted</td>
<td>1 November 2010</td>
<td>6 years</td>
<td>33 sub-blocks</td>
<td>110.83km²</td>
<td>$330</td>
</tr>
<tr>
<td>EL 28596</td>
<td>Not yet granted</td>
<td>1 November 2015</td>
<td>8 years</td>
<td>18 sub-blocks</td>
<td>33.56km²</td>
<td>$100</td>
</tr>
</tbody>
</table>

® Northern Prospector Pty Ltd is a wholly owned subsidiary of Alligator.
+ The area of any exploration licence granted will be subject to incremental reduction in accordance with section 26 of the Mining Act (NT).
+ These rental figures have been based on prevailing rents, which may increase in future years. Further, note that pursuant to the Mining Regulations (NT), rents increase incrementally over the period exploration licenses are held.
### Gold Tenements – New South Wales and Queensland

<table>
<thead>
<tr>
<th>Tenement Number</th>
<th>Jurisdiction</th>
<th>Registered holder (%)</th>
<th>Tenement granted</th>
<th>Current term expires</th>
<th>Current Term Area</th>
<th>Approximate area in square kilometres</th>
<th>Expenditure Covenant (Required Expenditure)</th>
<th>Current rent ($) (ex GST)</th>
<th>Security Bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 0400</td>
<td>New South Wales</td>
<td>Asia Pacific Gold Corporation Pty Ltd (100%)</td>
<td>5 December 2006</td>
<td>5 December 2011</td>
<td>95 units</td>
<td>265km²</td>
<td>$125,000</td>
<td>NA</td>
<td>$10,000</td>
</tr>
<tr>
<td>EL 7981</td>
<td>New South Wales</td>
<td>Thus Resources Limited</td>
<td>9 June 2016</td>
<td>3 June 2012</td>
<td>73 units</td>
<td>219km²</td>
<td>$256,500</td>
<td>NA</td>
<td>$10,000</td>
</tr>
<tr>
<td>EPM 13341</td>
<td>Queensland</td>
<td>Wayne Kerinaghas</td>
<td>22 October 2003</td>
<td>Expired 21 October 2008</td>
<td>6 sub-blocks</td>
<td>16.8km²</td>
<td>Information not available on tenure search</td>
<td>$740.10 (prior to exploration)</td>
<td>Information not available on tenure search</td>
</tr>
<tr>
<td>EPM 133707</td>
<td>Queensland</td>
<td>Chillogie Resources Pty Ltd</td>
<td>13 August 2007</td>
<td>12 August 2012</td>
<td>6 sub-blocks</td>
<td>16.8km²</td>
<td>Information not available on tenure search</td>
<td>$722.10</td>
<td>Information not available on tenure search</td>
</tr>
</tbody>
</table>

---

5 These rental figures have been based on prevailing rents, which may increase in future years.

6 Asia Pacific Gold Corporation Pty Ltd is a wholly owned subsidiary of Alligator.

7 An application has been lodged to assign this tenement to Chillogie Resources Pty Ltd, a wholly owned subsidiary of Alligator.

8 An application for the renewal of this tenement was lodged on 20 October 2008.

9 The area of any exploration licence granted will be subject to incremental reduction in accordance with section 130 of the Mining Resources Act 1989 (Qld).

10 Chillogie Resources Pty Ltd is a wholly owned subsidiary of Alligator.
INDEPENDENT ACCOUNTANT’S REPORT

Introduction

We have prepared our Independent Accountant’s Report (“Report”) at the request of the Directors of Alligator Energy Limited (formerly Titus Resources Limited) (“the company”) for inclusion in a prospectus to be issued by the company on or about 24 November 2010 (“the Prospectus”). The Prospectus has been prepared in relation to an Offer to the public to subscribe for 75,000,000 Shares at an Offer Price of 20 cents each to raise $15,000,000.

The minimum subscription for the Offer is 50,000,000 ordinary shares raising a total of $10,000,000 and the maximum subscription is 75,000,000 ordinary shares raising a total of $15,000,000. The Offer is not underwritten.

Expressions defined in the Prospectus have the same meaning in our Report.

Basis of Preparation

Our Report has been prepared to cover the Financial Information as set out in Section 10 of the Prospectus. The Financial Information consists of the balance sheet and pro-forma balance sheets of the company as at 31 October 2010. The pro-forma balance sheets include the financial effect of share issues and significant transactions which have occurred subsequent to 31 October 2010. A pro-forma balance sheet has been considered in respect of the minimum subscription and maximum subscription scenarios.

This Report does not address the rights attaching to the Shares to be issued, the risks associated with the investment, nor form the basis of an independent expert’s opinion with respect to a valuation of the company or a valuation of the Offer Price of 20 cents each.

We have not been requested to consider the prospects for the company, nor the merits and risks associated with becoming a shareholder and have not done so, nor purport to do so. Accordingly, we take no responsibility for those matters or for any matter or omission in the Prospectus, other than responsibility for our Report.

This Report should be read in conjunction with the full Prospectus.
Scope of Our Report and Procedures

Background

Lawler Hacketts Audit has acted as the independent auditor of the company since it was incorporated on 17 November 2009.

The financial report of the company for the period 17 November 2009 to 30 June 2010 was audited by Lawler Hacketts Audit. The audit report on the financial report of the company for the year ended 30 June 2010 did not contain any audit qualifications.

Balance Sheet and Pro-forma Balance Sheets as at 31 October 2010

We have reviewed the balance sheet and pro-forma balance sheets of the company as at 31 October 2010. Our review was conducted in accordance with Australian Standard on Review Engagements ASRE2405 “Review of Historical Financial Information Other than a Financial Report” in order to report whether anything has come to our attention which would cause us to believe that the pro-forma balance sheets are not properly drawn up in accordance with the basis of preparation, assumptions and transactions contemplated by the Prospectus. Review procedures are substantially less in scope than an audit examination.

Our procedures consisted primarily of enquires and comparison and other such analytical review procedures we considered necessary so as to evaluate the basis of the preparation of the pro-forma balance sheet. In conducting our review we have undertaken the following:

(a) inquiries of the Directors;
(b) reviewed relevant working papers, accounting records and other documentation relating to transactions that have already occurred, the proposed transactions and assumptions; and
(c) ensured that the balance sheets have been determined in accordance with the company’s current accounting policies, Australian Accounting Standards, other mandatory financial reporting requirements and the key assumptions underlying the preparation of the Prospectus.

Having regard to the nature of the review, which provides a level of assurance less than that given in an audit, and to the nature of the pro-forma balance sheet, this Report does not express an audit opinion on the pro-forma balance sheet.

Statement

Based on our review, which is not an audit, nothing has come to our attention which would cause us to believe that the balance sheet and pro-forma balance sheets of the company as at 31 October 2010 and the notes to the balance sheet and pro-forma balance sheets, as set out in Section 10 of the Prospectus, are not properly drawn up in accordance with the assumptions and transactions set out in this Report and with generally accepted principles for the presentation of such information in a prospectus.

Subsequent Events

To the best of our knowledge and belief, other than those matters dealt with in this Report, there have been no material items, transactions or events subsequent 31 October 2010 to the date of this Report which would require comment on, or further adjustment to, the information referred to in this Report, or which would cause the information included in this Report to be misleading or deceptive.
Independence

Lawler Hacketts Corporate Advisory Pty Ltd do not have any interest in the outcome of the Offer, nor any interest in any shares or other securities in the company or any pecuniary interests that could reasonably be regarded as being capable of affecting their ability to give an unbiased statement in relation to the Offer, Prospectus or financial report of the company.

Lawler Hacketts Corporate Advisory Pty Ltd will receive a fee for the preparation of this Report and its related entity Lawler Hacketts Audit will receive a fee for the audit of the financial report of the company.

Other Important Considerations

This Report constitutes general financial product advice only and Lawler Hacketts Corporate Advisory Pty Ltd has not made, and will not make, any recommendation through the issue of this Report as to the merits of an investment in Shares issued by the company.

Before making any decision to acquire Shares, a prospective applicant should consider the appropriateness of the investment in light of their own personal circumstances. It is strongly recommended that all prospective applicants seek professional advice in regards to the appropriateness of an investment in Shares of the company.

Consent

Consent for the inclusion of this report in the Prospectus in the form and context in which it appears has been given. At the date of this Report consent had not been withdrawn.

Yours faithfully

LAWLER HACKETTS CORPORATE ADVISORY PTY LTD

T Hackett
Director
22 November 2010

The Directors
Alligator Energy Limited
Level 4, 67 St Paul’s Terrace
SPRING HILL QLD 4000

Dear Sirs,

RE: INDEPENDENT GEOLOGIST’S REPORT ON MINERAL TENEMENTS IN ARNHEM LAND, NORTHERN TERRITORY, AUSTRALIA, HELD BY ALLIGATOR ENERGY LIMITED

The Directors of Alligator Energy Limited (“Alligator”) commissioned Vidoro Pty Ltd to prepare an independent geological report on mineral properties in the Northern Territory.

This report is to be included in a Prospectus to be lodged with the Australian Securities and Investments Commission (“ASIC”) on or about 23rd November 2010. Offering the subscription of between 50 and 75 million fully paid ordinary shares at an issue price of 20 cents per share, to raise between $10-15 million (before cost associated with the issue. The funds raised will be used for the purpose of exploration and development of the existing mineral properties.

At Alligator’s request, the scope of the inquiries and of the report included in the following:

- A review of the exploration portfolio of Alligator with the respect to exploration history, exploration potential and Alligator’s exploration strategy
- A review of the budgets proposed by Alligator for its first two years
- A review of the work plans associated with the budgets referred to above
- A review of the proposed geological models the Alligator intends to employ on its tenements
- Anything else the Alligator believed is necessary.

Alligator has not been requested to provide an Independent Valuation, nor has Alligator been asked to comment on the Fairness or Reasonableness of any vendor or promoter considerations, therefore no opinion on the matters has been offered.

This report is based on technical data provided by Alligator to Vidoro, as well as discussions with directors and consultants of Alligator and a five-day site visit. Open access was provided to all personnel and records necessary, in the opinion of Vidoro, to enable a proper assessment of Alligator’s mineral tenements. Alligator had warranted in writing to Vidoro that full disclosure has been made of all material information and that, to the best of Alligator’s knowledge and understanding, such information is complete, accurate and true. Readers of this report must appreciate that there is an inherent risk of
error in the acquisition, processing and interpretation of geological and geophysical data, and Vidoro takes no responsibility for such errors.

Additional relevant material was acquired independently by Vidoro from a variety of sources. The list of references at the end if this report lists the sources consulted. This material was used to expand on the information provided by Alligator and, where appropriate, confirm or provide alternative assumptions to those made by Alligator.

Appraisal of all the information mentioned above form the basis for this report. The views and conclusions expressed are solely those of Vidoro. When conclusions and interpretations credited specifically to other parties are discussed within the report, then there are not necessarily the views of Vidoro.

Vidoro’s Project Co-ordinator was Mr. David Jones, who was also responsible for the geological interpretation.

Mr. Jones graduated from the University of Adelaide, Adelaide, South Australia in 1964 with a Bachelor Degree in Science in the field of Geology, and received a further degree of Master in Science from the same university in 1976. He has practiced his as a Geologist for the past 43 years since graduation, in the field of Mineral Exploration. Since leaving his most recent corporate employer, Newcrest Mining Limited, after 21 years with the company, he has written a considerable number of Independent Geologist’s Reports for Australian and North American companies seeking stock exchange listing or significant additional funds for exploration.

Mr. Jones has worked on exploration projects in 11 countries including Australia, Fiji, Great Britain, Greece, Indonesia, Ireland, New Zealand, Papua New Guinea, Romania, Solomon Islands and Vietnam. He has overseen exploration in a further 14 countries including Bolivia, Brazil, Bulgaria, Burma, Canada, China, Czech Republic, Hungary, Kyrgyz Republic, Laos, Slovakia, Turkey, Vanuatu and the USA. His specific experience concerning Alligator’ Northern Territory tenements is related to his position as Chief Geologist of Newmont Pty Ltd, when Mr. Jones had oversight of various mineral exploration projects in Northern territory. He is thoroughly familiar with the geology and mineralization in the areas where Alligator have mineral tenements.

Mr. Jones was elected a Fellow of the Australasian Institute of Mining and Metallurgy (“The AUSIMM”) in 1973, having been a member since 1961. His status as a Fellow of The AUSIMM is current. He is bound by, and follows the Institute’s codes and recommends practices. As a Competent Person, he has a minimum of 5 years relevant exploration experience in the commodities and types of exploration activities reported.

He is also a fellow if The Institute of Materials, Minerals and Mining in London. In addition, Mr. Jones has been a member of the Denver-based Society of Mining, Metallurgy and Exploration Inc. continuously for over 25 years, and as a Registered Member is accepted as a Qualifies Person to submit mineral exploration reports to the United Stated Securities and Exchange Commission. He has been a member of the Geological Society of Australia since 1963, and currently serves on the Executive Committee of the Queensland Branch.
Vidoro Pty Ltd and David Jones consider the Alligator Properties have been acquired on the basis of sound technical merit and are sufficiently prospective, subjects to varying degrees of exploration risk, to warrant further exploration and assessment of their economic potential, consistent with the programmes proposed by Alligator.

In preparing this report, Vidoro Pty Ltd and David Jones have observed the Code and Guidelines for Technical Assessment and/or Valuation of Mineral and Petroleum Assets and Mineral and Petroleum Securities for Independent Expert Reports ("Valmin Code"). Neither Vidoro Pty Ltd nor David Jones have, or have had, any financial interest in Alligator, other than the payment of normal professional fees for the work undertaken in preparing this report.

Vidoro Pty Ltd and David Jones hereby consent to the inclusion of this Independent Geologist’s Report in the Prospectus referred to above, in both electronic and paper form, in the form and context in which it appears. As at the date above, neither Vidoro Pty Ltd nor David Jones have withdrawn their consent.

Yours sincerely

David G Jones
MSc, FAusIMM, FIMMM, MAIME, MGSA, JP (Qual).
Vidoro Pty Ltd
INDEPENDENT GEOLOGIST’S REPORT ON MINERAL TENEMENTS IN ARNHEM LAND, NORTHERN TERRITORY, AUSTRALIA, HELD BY ALLIGATOR ENERGY LIMITED

Figure 1: Location of tenements held by Alligator Energy Limited
Figure compiled by D G Jones

David G Jones
BSc., MSc., FAusIMM, FIMMM, MAIME, MGSA

Effective Date: 22nd November 2010
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1 SUMMARY

Purpose
To review the geology and exploration potential of mineral exploration licences and licence applications located in Arnhem Land, Northern Territory ("NT"), Australia, for Alligator Energy Limited.

Scope
At the request of Robert Sowerby, Managing Director of Alligator Energy Limited ("Alligator"), Vidoro Pty Ltd ("Vidoro") was commissioned in September 2010 to prepare an Independent Geologist’s Report on a group of mineral exploration licences and applications located in the Alligator Rivers Uranium Province ("ARUP") of the NT. Alligator is in the process of acquiring 3 granted licences and has applied for 11 other exploration licences in the ARUP.

The scope of the inquiries and of the report included the following:

- A review of historic and recent exploration in the project area
- A review of the deposit models employed by Alligator to guide its exploration
- An opinion of the proposed program and budget for future work on the tenements
- An audit of check sampling and assaying procedures employed by Alligator

Vidoro has not been requested to provide an Independent Valuation, nor has Vidoro been asked to comment on the Fairness or Reasonableness of any vendor or promoter considerations, and therefore no opinion on these matters has been offered.

Précis
This report is a review of a group of mineral exploration licences and applications centred about 275km due east of Darwin, the capital of the Northern Territory, Australia. Alligator is acquiring a 98% interest in 3 granted exploration licences held by Cameco Australia Pty Ltd ("Cameco"). The other 2% is held by the West Arnhem Corporation Pty Ltd on behalf of the traditional owners.

The ARUP is a Proterozoic nucleus that is part of the North Australian Craton. The ARUP Province is composed mostly of granites and metamorphosed sediments and hosts the largest uranium deposits in the North Australian Craton, including the current Ranger mine and the Jabiluka, Nabarlek and Koongarra deposits.

High-grade uranium mineralisation has been discovered at a number of localities within the tenements being acquired by Alligator. At the Caramal prospect, a small body of high-grade mineralisation with drill intersections including 21m @ 0.50% U3O8 and 22.7m @ 0.38% U3O8 has been drilled by previous explorers and a historical resource estimated. Multiple high-grade intersections have been made in exploration drill holes at 3 other prospects within the tenements, the best being 4m @ 0.82% U3O8 at the Two Rocks prospect, 15m @ 0.47% U3O8 at the South Horn prospect and 8.58m @ 0.33% U3O8 at the Gorrunghar prospect. The majority of uranium mineralisation identified so far has been located in the Cahill Formation, a geological unit that is the principal host to the uranium mined at Ranger, some 50km to the west.

Alligator’s tenements contain the correct favourable stratigraphy, known high grade mineralisation and extensive alteration systems in structurally-prepared zones, all of which indicate the tenements are highly prospective for ARUP style mineralisation. The author considers that significant potential remains in the tenements for this style of deposit, especially below the cover Kombolgie Group rocks, because historical exploration has been driven by Athabasca/Canadian exploration models within the cover, as distinct from ARUP-specific exploration models.
Conclusions

- Alligator has succeeded in securing title to a coherent group of granted tenements that cover most of the highly prospective Myra Falls Inlier, located centrally within the Alligator Rivers Uranium Province ("ARUP").

- The ARUP contains the major uranium deposits at Ranger 1, Koongarra, Jabiluka and Nabarlek. Together these deposits contain over 250,000 tonnes of uranium or 40% of Australia's known uranium resources (McKay & Miezitis, 2001).

- Historically, the ARUP deposits have been regarded as being "unconformity-related" deposits, although the influence of structure and the presence of the Oenpelli Dolerite at Nabarlek have also been assumed to have some importance.

- Alligator intends to target areas of known mineralisation applying exploration models based specifically on the most recent understanding of the ARUP deposits such as Ranger, and by utilising recent advances in high-resolution geophysics.

- Previous drilling in the Myra Falls Inlier has intersected high-grade uraninite mineralisation at a range of prospects now covered by Alligator's tenements.

![Figure 2. Best uranium intersections in drill holes to date, Myra Falls Inlier](image)

- The investment by Alligator in its 98% share of the Arnhem Land exploration licences is well justified given the high grades discovered to date in the preliminary drill testing carried out by previous explorers.

- In Vidoro’s opinion, the A$8.6M budget for the Myra Falls Inlier proposed for the next 2 years by Alligator is sensible and justified given the advanced state of some of the known prospects.

- With over 40% of the budget allocated to direct drilling costs, the Alligator programme promises to be both efficient and cost-effective.
Independent Geologist’s Report on Mineral Tenements in Arnhem Land for Alligator Energy

2 INTRODUCTION

This report is a review of a group of mineral exploration licences and applications centred about 300km due east of Darwin, the capital of the Northern Territory, Australia. Alligator is acquiring a 98% interest in 3 granted exploration licences held by Cameco Australia Pty Ltd ("Cameco"). The other 2% is held by the West Arnhem Corporation Pty Ltd on behalf of the traditional owners.

Alligator Resources Limited is an unlisted Australian Public Company, limited by shares. At the request of Robert Sowerby, Managing Director of Alligator, Vidoro was commissioned in September 2010 to prepare an Independent Geologist’s Report on the licences and applications.

The scope of the inquiries and of the report included the following:

- A review of historic and recent exploration in the project area
- A review of the deposit models employed by Alligator to guide its exploration
- An opinion of the proposed program and budget for future work on the tenements
- An audit of check sampling and assaying procedures employed by Alligator

Vidoro has not been requested to provide an Independent Valuation, nor has Vidoro been asked to comment on the Fairness or Reasonableness of any vendor or promoter considerations, and therefore no opinion on these matters has been offered.

This report is based on technical data provided to Vidoro by Alligator, as well as discussions with geologists on site during a field inspection of the properties. Alligator provided open access to all personnel and records necessary, in the opinion of Vidoro, to enable a proper assessment of the tenements. Alligator has warranted in writing to Vidoro that full disclosure has been made of all material information and that, to the best of Alligator’ knowledge and understanding, such information is complete, accurate and true. Readers of this report must appreciate that there is an inherent risk of error in the acquisition, processing and interpretation of geological and geophysical data.

Vidoro’s Project Co-coordinator was Mr. David Jones, who was also responsible for the geological interpretation. Mr. Jones carried out a field review of current exploration at the properties in September 2010. Six weeks were spent on data collection and analysis and preparation of this report.

Additional relevant material was acquired independently by Vidoro from a variety of sources. The list of references at the end of this report lists the sources consulted. This material was used to expand on the information provided by Alligator and, where appropriate, confirm or provide alternative assumptions to those made by Alligator.

Appraisal of all the information mentioned above forms the basis for this report. The views and conclusions expressed are solely those of Vidoro. When conclusions and interpretations credited specifically to other parties are discussed within the report, then these are not necessarily the views of Vidoro.
3 RELIANCE ON OTHER EXPERTS

The opinions expressed in this report have been based on information supplied to Vidoro by Alligator, its associates and their staff, as well as the additional information listed in the References. Vidoro has exercised all due care in reviewing the supplied information, including a recent visit to key sites in the ARUP. Although Vidoro has compared key supplied data with expected values, the accuracy of the results and conclusions from this review are reliant on the accuracy of the supplied data. Vidoro has relied on this information and has no reason to believe that any material facts have been withheld, or that a more detailed analysis may reveal additional material information.

The author has not relied on reports, opinions or statements of legal or other experts who are not qualified persons for information concerning legal, environmental, political or other issues and factors relevant to this report.

4 PROPERTY DESCRIPTIONS AND LOCATION

4.1 Property Details

The grant of Substitution Exploration Licence ("SEL") 24921 and 24922 to Cameco was published in the NT Government Gazette on 6 June 2007. The date of grant was 30 May 2007, for a period of 4 years expiring on 29 May 2011. The areas cover 39 sub-blocks (80.20 sq km) and 80 sub-blocks (198.22 sq km) respectively. Bounding coordinates of the SELs are shown in the figure below:

![Figure 3. Descriptions of SELs 24921 and 24922](Extracted from NT Govt Gazette 6 Jun 2007)

The grant of Exploration Licence ("EL") 25002 to Cameco was published in the NT Government Gazette on 10 September 2008. The date of grant was 2 September 2008, for a period of 6 years expiring on 1 September 2014. The area covers 4 sub-blocks (11.55 sq km). Bounding coordinates of the EL are shown in the figure below:

![Figure](Extracted from NT Govt Gazette 6 Jun 2007)
Alligator recently acquired the exploration assets of Northern Prospector Pty Ltd, consisting of 7 Exploration Licence Applications ("ELAs") in the ARUP. Together they comprise the West Arnhem Regional Project of Alligator. All are held 100% by Alligator through its ownership of Northern Prospector Pty Ltd. On Alligator’s behalf, a further 4 applications have been made by Northern Prospector Pty Ltd. A summary of the applications is tabulated below:

<table>
<thead>
<tr>
<th>Application No.</th>
<th>Date of Application</th>
<th>Area sq km</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELA27250</td>
<td>24/03/2009</td>
<td>28.92</td>
</tr>
<tr>
<td>ELA27251</td>
<td>24/03/2009</td>
<td>62.38</td>
</tr>
<tr>
<td>ELA27252</td>
<td>25/03/2009</td>
<td>16.15</td>
</tr>
<tr>
<td>ELA27253</td>
<td>25/03/2009</td>
<td>19.13</td>
</tr>
<tr>
<td>ELA27777</td>
<td>11/11/2009</td>
<td>28.8</td>
</tr>
<tr>
<td>ELA28176</td>
<td>5/07/2010</td>
<td>40.26</td>
</tr>
<tr>
<td>ELA28293</td>
<td>22/09/2010</td>
<td>20.13</td>
</tr>
<tr>
<td>ELA28315</td>
<td>4/10/2010</td>
<td>57.96</td>
</tr>
<tr>
<td>ELA28389</td>
<td>1/11/2010</td>
<td>106.3</td>
</tr>
<tr>
<td>ELA28390</td>
<td>1/11/2010</td>
<td>32.2</td>
</tr>
<tr>
<td><strong>Total Area</strong></td>
<td></td>
<td><strong>431.36</strong></td>
</tr>
</tbody>
</table>

Table 1. EL applications by Northern Prospector Pty Ltd

### 4.2 Exploration Licences

Exploration and mining in the NT is subject to the Mining Act, which is administered by the Titles Division of the Department of Resources ("DOR"). In addition to administering the Mining Act, the Division manages the procedures associated with the Commonwealth Aboriginal Land Rights (NT) Act and the Native Title Act. Minerals and extractive minerals (sand, gravel, rocks and soil) may only be removed by miners who are authorised to do so under the Mining Act by the grant of a title.
Independent Geologist's Report on Mineral Tenements in Arnhem Land for Alligator Energy

An Exploration Licence ("EL") allows the holder to carry out an approved exploration program for minerals. The maximum area that can be sought under one application is 500 blocks where each block is 1 minute latitude by 1 minute longitude (1 block = average 3.22 square km).

To apply for an EL the applicant has to:

- hold an NT Miner's Right;
- check that the land is available;
- have a realistic exploration plan;
- have the financial and technical resources to undertake the plan; and
- comply with the Mining Act in respect of making a valid application.

The maximum term of an EL is six years. It is renewable for two further periods of two years. The annual rentals payable per block are set out in the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Rent per block A$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>11</td>
</tr>
<tr>
<td>2</td>
<td>11</td>
</tr>
<tr>
<td>3</td>
<td>22</td>
</tr>
<tr>
<td>4</td>
<td>44</td>
</tr>
<tr>
<td>5</td>
<td>88</td>
</tr>
<tr>
<td>6</td>
<td>176</td>
</tr>
<tr>
<td></td>
<td><strong>Renewal</strong> 352</td>
</tr>
</tbody>
</table>

Table 2. Annual EL rentals (inclusive of GST)

An EL authorizes the holder thereof, subject to the law in force in the NT, and in accordance with the conditions to which the licence is subject:

a) to enter and re-enter the licence area with such agents, employees, vehicles, vessels, machinery and equipment as may be necessary or expedient for the purpose of exploring for minerals in, on or under the licence area;

b) to explore for minerals and to carry out such operations and works as are necessary for that purpose on the licence area including digging pits, trenches and holes, and sinking bores and tunnels in, on or under the licence area and ascertaining the quality, quantity or extent of ore or other material by drilling or other methods;

c) to extract and remove from the licence area for sampling and testing an amount of ore, material or other substance reasonably necessary to determine its mineral bearing quality, or such greater amount as the Secretary, in writing, approves;

d) subject to the directions of the Minister, to take or divert water from any natural spring, lake, pool or stream situated on or flowing through the licence area and to sink a well or bore on the licence area and take water therefrom and to use the water so taken or diverted for his domestic use and for any purpose in connection with exploring for minerals on the licence area; and

e) subject to conditions, to obtain an exploration retention licence, mineral lease or mineral claim in respect of the licence area or any part of it.

The licensee is obliged to:

a) for the purposes of exploring for minerals, carry out geological, geochemical or geophysical surveys or any combination of those surveys, on the licence area;

b) not extract or remove from the licence area any amount of ore, material or other substance other than amounts for sampling purposes;

c) expend not less than the minimum amount of expenditure specified in the licence in carrying out exploration activities on the licence area;

d) within 28 days after confirmation of their discovery, report in writing to the Secretary all minerals of possible economic or scientific interest discovered on the licence area;

e) obtain and send to the Secretary such water samples and data on underground water encountered during exploratory drilling as the Secretary, in writing, directs;
Independent Geologist's Report on Mineral Tenements in Arnhem Land for Alligator Energy

f) conduct his exploration programmes and other activities in such a way as not to interfere with existing roads, railways, telephone or telegraph lines, power lines and cables, water pipelines or dams or reservoirs or gas, oil, slurry or tailings pipelines or storage containers, situated on the licence area, or the lawful activities or rights of any person on or in relation to land adjacent to the licence area; and

g) not interfere with any historical site or object, or any Aboriginal sacred site or object, declared as such under a law in force in the Territory, otherwise than in accordance with that law.

The holder of 2 or more ELs, or a holder of an EL with the written consent of the holder of another EL, may apply for the grant of an exploration licence in substitution for those exploration licences. These titles are referred to as Substitution Exploration Licences (SEL).

The licence areas must be comprised of one discrete area. The SEL can only be granted for a term not exceeding 4 years. The exploration licences to be substituted are automatically cancelled upon the grant of the substitution exploration licence, irrespective of whether the area of the SEL covers only part of the exploration licence areas that are to be substituted.

4.3 Royalties

The Mineral Royalty Act levies a royalty on recovery of mineral commodities from a mining tenement in the NT. It is not a tax but a charge for resource usage and is payable by the holder of a mining tenement to the Government as owner of the site or the mineral rights over the site. The overall objective of the Act is to maximise the contribution of the mining industry to the long-term welfare of the NT.

The Mineral Royalty Act applies to most mines and mineral commodities in the NT with the exception of quarries for extractive minerals, uranium mines (which are subject to a separate Commonwealth royalty scheme, as uranium in the NT is vested by the Commonwealth) and mines operating under specific royalty agreements.

Currently uranium royalties in the NT are worked out on a case-by-case basis, as with the Ranger Mine – currently the only operating uranium mine in the NT. To date royalty arrangements have been determined for three NT uranium projects (Ranger, Nabarlek and Jabiluka) by the relevant Australian Government Minister on a project-by-project basis taking into account a range of factors, including the world market for uranium, any non-statutory payments to Aboriginal communities, the loss or damage likely to be suffered by Aboriginal communities affected by the proposed mining interest and the royalty rate set for other mines.

The Ranger mine is subject to a 5.5% ad valorem royalty composed of three components:

- 2.5% is the royalty applicable on Aboriginal reserves under the then NT Mining Ordinance
- 1.75% is the notional negotiated payment for traditional owners. The Commonwealth Government pays the sum of these first two components (4.25%) into the Aboriginals Benefits Account (“ABA”)
- 1.25% which the Commonwealth Government pays to the Northern Territory Government as a grant in lieu of royalty under the terms of a 1978 Memorandum of Understanding between the Commonwealth and Northern Territory Governments. The 1.25% paid to the Northern Territory Government equates to the royalty rate for minerals under the Northern Territory Mining Ordinance at the time of self-government in 1978.

The Nabarlek deposit was relatively small and mining was completed in 1988. An ad valorem royalty of 3.75% applied to the Nabarlek operation.

The Jabiluka mineral lease, which is yet to be activated, specifies an ad valorem royalty of 5.25%. The Jabiluka royalty comprised two components of 4% payable into the ABA and 1.25% payable to the NT Government. However, this royalty arrangement applied only until 30 June 1990 and the project has not proceeded.
4.4 Environmental Regulation

General environmental rules and obligations in the NT are governed by the Commonwealth Environment Protection and Biodiversity Conservation Act 1999 (as amended – the “EPBC Act”). This Act covers almost 1,000 pages and a full discussion is outside the scope of this report. In the NT, the EPBC Act is overseen by the DOR on behalf of the Commonwealth. At the exploration stage, the environmental requirements are similar to those applying in most States.

Any proposal involving a “major disturbance” to the land, especially where uranium is a component, will require preparation of an Environmental Impact Statement (EIS) under the NT Environmental Assessment Act (1982) (EA Act). An acceptable EIS will satisfy assessment requirements under the EPBC Act.
5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Access

The Alligator tenements are centred 275km due east of Darwin, the capital of the NT. Darwin is a modern city with a population of about 114,000, serviced by an international airport, standard gauge railway line connection to all Australian cities via Adelaide, and a power station fuelled by gas from the Timor Sea gasfields.

The nearest airport to the tenements is at Jabiru, the main accommodation centre for the Ranger mine and tourism in Kakadu National Park. There is a sealed airstrip at Nabarlek, 15-20km from the main prospects in Alligator’ exploration area. The sealed Arnhem Highway extends from Darwin to Jabiru, the journey from Darwin taking about 2 hours. From Jabiru a well-maintained formed road (sealed as far as the East Alligator River crossing) traverses Arnhem Land via Oenpelli township. The road to Nabarlek branches off about 17km past Oenpelli. Two km west of Nabarlek the track to Myra Camp branches off to the south.

The Myra Field Camp owned by Alligator is situated adjacent to Tin Camp Creek and was originally established by Uranerz in 1987. Facilities include transportable units (kitchen, ablutions, and two offices), two sheds and most of the historical core from prospects in the area. A track connects the camp to the Two Rocks, Caramal and South Horn prospects on SEL 24921. Otherwise access to the rugged terrain of the Myra Falls Inlier and flanking sandstone escarpment country is mainly limited to helicopter or foot traversing.
5.2 Climate

Situated only 12° south of the equator, the climate of Arnhem Land is typically tropical with little variation in mean monthly temperatures throughout the year. The nearest official weather reporting station to the project area is the township of Oenpelli, 30km northwest of Myra Falls Camp. Rainfall records at Oenpelli have been kept since 1910, while complete climate data collection commenced in 1963.

The average maximum temperature for Oenpelli is 34.1°C while the average minimum is 22.2°C. There are two distinct seasons; the winter is warm and dry (average relative humidity about 60%) while the summer is wet and humid (average relative humidity 82-86%). Three-quarters of the annual precipitation falls from November through April. In August, average rainfall for the month is 1 mm, while in January and February the monthly rainfall exceeds 330mm. Rainfall intensity can be quite severe, particularly during cyclones, with 245mm being recorded in one day on 11 Jan 1919.

The graphs below show climate data for Oenpelli. Annual rainfall average is 1,407mm.
5.3 Local resources and Infrastructure

The economy of the region is heavily dependent on mining, principally from the Ranger uranium mine, and also the Gove bauxite mine on the east coast of Arnhem Land. Tourism is also important, based on the attractions of Kakadu National Park, with tourist facilities located at Jabiru and Cooinda. Apart from the Arnhem Highway as far as the Ranger mine, there are no all-weather roads. Other roads are open through the dry season but generally not accessible in the Wet. The sealed airstrips at Jabiru, Oenpelli and Nabarlek comprise the only other transport infrastructure in the area. Jabiru has a population of 1520, many of whom are employed at the Ranger mine.

The township of Oenpelli has a population around 860. It is an indigenous community and a permit is required for entry to the township, as well as other indigenous lands.

The East Alligator River and its tributaries are important in maintaining the World Heritage-listed Kakadu wetlands downstream from the Arnhem Land escarpment. Surface waters arising from the sandstone plateau are among the softest in Australia. Typically, Wet season freshwaters have relatively high water temperatures, a low buffering capacity, are moderately acidic, extremely soft and carry low suspended solid loads. Changes in water quality that occur in those water bodies that remain after flow ceases are dictated largely by the extent of evaporation and groundwater inflow. Deeper water bodies with steep banks and sandy bottoms tend to remain cooler, clearer and of higher quality than shallower water bodies which generally increase in turbidity as the Dry season progresses.

5.4 Physiography

Massive sandstone of the Kombolgie Formation forms the Arnhem Land Plateau. It varies in elevation from 250 to 300m with residuals on the plateau rising to 520m. Drainage follows a trellised pattern controlled by the jointing in the sandstone sequence, and erosion has produced large areas of intricately dissected plateau.
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The Myra Falls Inlier is an erosional window through the Kombolgie Formation. The retreat of the Arnhem Land Plateau has produced an escarpment varying from vertical cliff faces to stepped cliffs with long talus slopes. Massive boulders from the retreating scarp lie up to 1,000m from the cliff line. In the south the escarpment rises about 200m while in the north it is generally less than 100m high and is much more broken. Subsequent erosion along joint and bedding planes and the weathering of tunnels in less resistant strata have produced intricate patterns of relief as well as some overhang caverns. Most of the watercourses originate on the plateau and along the escarpment, including the East Alligator River, which drains to van Diemen Gulf. Waterfalls such as Myra Falls occur at widely spaced nick points. The rivers generally flow in a north-westerly direction in shallow valleys across the lowlands to discharge through extensive flood plains.

The lowlands constitute the most widespread landform, being the subdued hill surface of the Archaean basement rocks. The average relief is low (between 25 and 50m) and much of this landform has a surface that is deeply lateritised.

The courses of rivers and creeks are outlined by chains of billabongs, some of which persist through the Dry season. Watercourses traversing the lowlands commonly form braided sand-bottomed beds of quartzose sediments, reflecting their origin in the sandstone of the escarpment.

6 HISTORY

6.1 Discovery and Ownership

Arnhem Land lies within the Pine Creek Orogen, the most well-endowed mineral region in the NT. In 1865 Litchfield found gold in the Finniss River near present-day Rum Jungle, but the reports of his find created little interest. The first gold rush did not occur until 1870, when several finds of gold were made in the Pine Creek area. By 1873, some 30 companies had been floated and were working the Pine Creek Goldfield. The white population of the NT increased from 192 to 1500 in 1873 as a result of the gold discoveries. While some left after the boom, most stayed to form the permanent settlers. The companies also established the first transport and communication services. The town of
Palmerston, the pre-cursor to Darwin, was established as a port to service the goldfields, and a Government Resident supported by a rudimentary Public Service took up residence there in 1873. By 1876 the boom was over; since gold was the only product of the NT at that time, the population declined.

Other gold rushes occurred in 1881, and in the same year tin was discovered near Pine Creek. The population of the goldfields rose to 230 Europeans and 2200 Chinese. Boom and bust cycles continued for the next 50 years. Copper was discovered at Daly River in the late 1880s; rich silver-lead deposits were found in the Pine Creek district in 1886; and a diamond, later cut to 3-carat size, was found in the bed of the Cullen River 12 km from Pine Creek in 1894.

In 1907 Government Geologist H Y L Brown reported the discovery of manganese at Groote Eylandt; copper, lead and zinc at McArthur River Station, and bauxite on the Cobourg Peninsula. The two former discoveries are now major mines. A rich deposit of wolfram was found near Mt Todd and named Wolfram Camp in 1904. After the collapse of metal prices following the end of World War 1, mining activity in the NT virtually ceased.

The Commonwealth Government established the Aerial Geological and Geophysical Survey of North Australia (“AGGSNA”) in 1934. Although it had only a small staff, during its short life AGGSNA produced over 100 useful maps and reports of the geology and mineral potential of the NT, until it was disbanded in 1942 at the height of World War 2.

In Arnhem Land, there are records of gold mining at Mundongie Hill and Temelba as early as the 1920s as well as lead, silver, zinc and copper mining at Zamu Creek in the mid 1940s.

After World War 2, rich copper and gold deposits were discovered near Tennant Creek and mined by Peko Mines Ltd (“Peko”). This company established an exploration group, Geopeko Limited (“Geopeko”) that was exceptionally successful, in Tennant Creek and elsewhere in the NT.

Uranium exploration in Australia was initiated in 1944 by requests from the United States and British governments for uranium oxide. The federal government encouraged explorers by offering tax-free rewards up to $50,000 for uranium discoveries, and by offering a guaranteed price for any uranium produced. A local prospector found secondary uranium minerals on his leases at Rum Jungle in 1949, which initiated the first uranium exploration boom in the Northern Territory. Rum Jungle was mined between 1954 and 1971.

The uranium deposits of the South Alligator Valley were first discovered in 1953 when the Coronation Hill site was identified. In the seven years following, more than 20 potential uranium deposits were found, of which thirteen were exploited between 1959 and 1965. The total production for this field was approximately 840 tonnes of U₃O₈.

Uranium exploration declined during the late 1950s but increased again in the late 1960s, stimulated by the easing of the government’s export embargo and predictions of increased world demand for uranium in the early 1970s for generating electricity in nuclear power stations.

The Commonwealth Bureau of Mineral Resources (“BMR”) acquired regional airborne radiometric data and offered free geological advice to prospectors to further encourage exploration. Individual prospectors or newly formed companies undertook most exploration activities, which mainly involved ground-truthing BMR airborne radiometric anomalies using Geiger counters. Most of the smaller vein-type deposits were found at this time.

Interest in Arnhem Land developed in mid-1968 after publication by the BMR of an updated version of their 1:500,000 geological map of the Katherine-Darwin Region which indicated that the crystalline rocks, upon which Lower Proterozoic strata lay in this area, might be an Archaean basement rather than a Proterozoic intrusive (Ryan, 1972).

The geological environment was apparently analogous, therefore, to that of Rum Jungle. An Authority to Prospect (A.P.) was taken out by Geopeko in 1968. From initial reconnaissance in late 1968 it became obvious that full geological assessment of the area was not possible because of the lack of outcrop, so aerial survey with spectrometer and magnetometer was scheduled for late 1969.
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In 1969 a more extensive A.P. was grant. Due to technical problems and the arrival of monsoon, flying had to be postponed until mid-1970. In the meantime Noranda Australia Limited located an area of high radiation on Geopeko ground while flying their adjacent area. Geopeko were informed and subsequently a ground party located the anomaly.

Geological mapping and radiometric and geochemical surveys began early in 1970 and indicated the possible presence of substantial mineralisation.

A percussion drilling programme was begun, and indicated viable uranium mineralisation. Peko announced the discovery of the Ranger deposit in October 1970. Drilling over the next two years defined several orebodies and a proposal to mine two of these, Ranger No.1 and Ranger No.3 orebodies, was jointly developed by the Australian Atomic Energy Commission and Ranger Uranium Mines Pty Ltd, a subsidiary of Peko. In August 1977 the Australian Government announced its decision to authorise the mining and export of uranium under very strict environmental requirements. Construction of the mine facilities commenced at Ranger in 1979 and mining of the Ranger No.1 orebody, by conventional open pit methods, began in August 1980. Ranger No.1 was exhausted in late 1994 and excavation of Ranger No.3 began in 1997 and continues. Current planning is for mining at Ranger 3 to cease in 2012 with processing of stockpiled ore to continue until 2020. Exploration continues to find other potential orebodies on the mine lease.

The operation of a uranium mine and mill in a region which is World Heritage listed, subject to seasonal extremes in rainfall typical of monsoonal climates and which represents at least forty thousand years of habitation by the Aboriginal people, provides many environmental challenges.

Near-surface uranium mineralisation at Nabarlek was discovered by Queensland Mines Limited ("QML") in June 1970 as a result of a ground inspection of a substantial anomaly detected in the course of an airborne gamma ray spectrometer survey. Subsequent pitting and costeaning confirmed the presence of pitchblende mineralisation. The orebody was delineated by diamond drilling in the period July 1970 to October 1971. The Nabarlek uranium mine operated from 1979 until 1989, and was decommissioned in 1994/95. The small and concentrated orebody was mined in a single 143-day campaign during the 1979 Dry season. The ore was stockpiled on a specially prepared site while the mill was being built, and then processed over the next nine years.

The discovery of Koongarra was made in July 1970 by Noranda Australia Limited during ground investigations of anomalies interpreted from an airborne spectrometer survey flown during 1969. The lease was taken over by Denison Australia Pty Ltd following which a draft EIS was submitted to the Australian Government. The estimated U$_3$O$_8$ content from the two orebodies is estimated to be 14,540 tonnes at an average grade of 0.8% U$_3$O$_8$. The poorly defined lower mineralisation is estimated to contain 2,000 tonnes of U$_3$O$_8$ at a grade of 0.3% but does not form part of the estimated reserves.

The final Environmental Impact Statement ("EIS") for Koongarra was approved in 1981, although the mine was never developed. The project is currently being reassessed by Koongarra Pty Ltd, a subsidiary of the French company AREVA, who fully acquired interest in the project in 1995. The site is subject to provisions of the Commonwealth Aboriginal Land Rights (Northern Territory) Act 1976, which requires that traditional owner consent must be obtained before any application for an exploration licence can be approved by the Northern Territory Government. The Koongarra lease application was placed into a 5 year moratorium in 2000. At the cessation of the moratorium period in May 2005 Koongarra Pty Ltd recommenced discussions with traditional Aboriginal owners and the Northern Land Council. These discussions are currently ongoing. Should Koongarra Pty Ltd obtain consent and wish to develop the deposit, further environmental impact assessment would also be required.

Jabiluka One was discovered in 1971 by ground reconnaissance spectrometry carried out by on behalf of Pancontinental Mining Limited. Jabiluka Two was discovered in 1973 during exploratory drilling to test the favourable host rocks along strike east of Jabiluka One. Any geochemical and geophysical expression of the Jabiluka Two mineralisation was masked by the presence of 20 to 70m of overlying sandstone.
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Energy Resources of Australia Ltd (“ERA”), the operator of the Ranger mine, bought the Jabiluka lease from Pancontinental in 1991. It abuts the northern boundary of the Ranger mining lease. The Jabiluka lease pre-dates and is surrounded by Kakadu National Park. The project was placed in long-term care and maintenance in February 2005 and ERA has entered an agreement with Traditional Owners stating that no further development will occur at Jabiluka without their approval. In October 1996, ERA completed an EIS for their preferred option for Jabiluka which is to transport ore by truck 20km south to the existing Ranger Mill and extract the uranium there, rather than build a mill and process plant at Jabiluka. The Minister for the Environment approved the EIS for this alternative in August.

The Nabarlek Deposit was initially discovered by QML following a regional fixed wing airborne radiometric survey which identified 135 radiometric anomalies, 95 of which occurred within the Tin Camp Creek region. QML undertook follow up work consisting of radiometric surveys, regional stream sediments surveys, ground follow up and geological mapping. As a result of this work, the Caramal, Mordijimuk, Gorrunghar and Gurri Garri prospects were identified. Drilling was subsequently undertaken on each of these prospects, however the main focus of work was on the Caramal deposit. Esso Minerals, QML and Uranerz Australia Pty Ltd ("UAL") conducted exploration in the area during the early 1970s, which resulted in the discovery of the NE Myra prospect.

Exploration ceased in 1973 following the Federal Government decision to inhibit uranium mining in the Alligator Rivers region. No work was undertaken in the area between 1973 and 1987 due to an embargo on the grant of exploration licences in Arnhem Land.

The former Tin Camp Creek exploration licences (ELs 2505, 2506, 2507, 2516, 2517, 7029 and 9534) were granted in 1995 to QML who subsequently divested the ground to Afmeco in joint venture with Cameco (49%), SAE Australia ("SAE" - 24.5%) and West Arnhem Land Corporation Pty Ltd (2%). The Razorback gold prospect and the South Horn uranium prospect were discovered in this time. In 2003 Cameco acquired the AFMEX and SAE interests and continued exploration until 2005, when the licences were relinquished and exchanged for SELs, which were granted in 2007. Alligator acquired SELs 24921 and 24922 and EL 25002 from Cameco in 2010.
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6.2 Previous Exploration

6.2.1 1970s
Initially, QML completed a total of 27 diamond drill holes at the Caramal deposit. Drilling intersected uranium mineralisation associated with chloritised schists of the Cahill Formation adjacent to an intrusive sill of Oenpelli Dolerite. Best drill hole intersections were as follows:

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<th>Hole No.</th>
<th>From (m)</th>
<th>To (m)</th>
<th>Interval (m)</th>
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Table 3. Selected intersections at Caramal, initial drilling by QML

Gorrunghar was costeamed and percussion drilled in the early 1970s by Queensland Mines. A total of 12 percussion drill holes were completed to a maximum depth of 67m. Uranium mineralisation was identified in three of these holes including a maximum of 8.6m @ 0.33% U$_3$O$_8$ from 1.3m in TCGOR-006.

Costeaming and percussion drilling was undertaken at the Mordijimuk prospect in 1972. Two percussion drill holes were completed to test surface radiometric anomalies. Both holes were drilled to a depth of 51m. Anomalous uranium was intersected in weathered and chloritised amphibolite.

GurriGarri is a radiometric anomaly associated with a prominent quartz-breccia ridge. Soil geochemistry and radiometric surveys were carried out over a gridded area Costeaming was undertaken to follow up soil geochemical and radiometric anomalies. Results of these surveys are not available.

Following the election of the Whitlam Labour Government in 1973, the Federal Government placed a moratorium on exploration in the Alligator Rivers region and Arnhem Land.

6.2.2 1980s
The moratorium on exploration was lifted in 1987. The Alligator Rivers Joint Venture ("ARJV"), comprising Uranerz Australia Limited ("UAL") as operator with Kumagai Gumi (50%) completed
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4,000m of diamond core drilling between 1987-1989 at the Two Rocks prospect, and the Kudjumandi/Khyber Pass area. Two small pods of uranium mineralisation were located at Two Rocks, while a broad zone of hydrothermal alteration and minor uranium enrichment was outlined in the Kudjumandi/Khyber Pass area.

EL 3418 in the Myra area was issued to Afmeco Pty Ltd (“Afmeco”).

6.2.3 1990s

UAL ceased active operations in Australia in 1991. Afmeco subsequently became operator of a restructured ARJV (Afmeco 50%, Uranerz 25%, Kumagai Gumi 25%). Work focussed on drilling at the Two Rocks and Kudjumandi Prospects. No drilling was undertaken in the Khyber Pass area. Diamond drilling totalled 2,323 m.

A best result of 7m at 155ppm U, including 6 m at 1600ppm Cu, was obtained in drill core in MRD061 at Two Rocks. In March 1994 UAL discontinued their involvement in the ARJV

Exploration Licences 2505, 2506, 2516, 2517, 7209 and 9534 were granted to QML in September 1995, and subsequently acquired by the ARJV. The combined areas became known as the Tin Camp Creel Project (“TCCP”). An airborne geophysical survey was flown over the tenements in 1996. Dighem, radiometric and magnetic data were acquired. A series of radiometric anomalies were delineated in the South Horn area and some shallow conductors were outlined elsewhere in the tenements.

Stream sediment surveys were conducted through much of the tenements in 1996, 1997 and 1998 excluding the sandstone plateau country. Prospect areas within the TCCP tenements identified and assessed as part of this work included:

- **Robbie’s:** Up to 110 ppm U and 240 ppm Cu in rock chips from hematitic quartzite, located near the eastern edge of the EL2505 sub-blocks outlier.
- **GurriGarri:** Up to 680 ppm U, 170 ppb Au, 2000 ppm P and 550 ppm Cu in reconnaissance rock chips associated with chlorite-white mica altered amphibolite marginal to a quartz-breccia ridge.
- **Gorrunghar and Mordijimuk:** The only work conducted was minor reconnaissance as they were within a restricted area until 1998 as there was a proposal to build an outstation in the area. The restriction on the area was removed in 1998.
- **EM anomaly 11/12 and Anomaly 6 in EL2516:** Ground EM was conducted at EM anomalies identified in DIGHEM data. Soil surveys designed to test EM anomaly 11/12 and to follow-up stream sediment anomalies were conducted in 1999. Minor base-metal anomalies were detected at Anomaly 11/12.
- **Razorback:** This gold prospect was identified from follow-up of gold in stream anomalies. Up to 546 ppb Au was outlined in soils and up to 1.4 g/t Au (plus anomalous copper) was obtained from rock-chips of malachite stained quartz-muscovite-biotite schist.
- **South Horn:** This prospect was identified from airborne radiometric data. Outcrop sampling and mapping and RAB drilling was conducted initially with follow-up RC/core drilling.
- **RAB drilling was also conducted along the Tin Camp Creek to the south of Gorrunghar and GurriGarri:** The drilling was conducted mainly to map the extent of prospective Lower Cahill Formation lithologies in this area with extensive Quaternary cover. The drilling shows that quartz-muscovite schists and amphibolitic units of interpreted Lower Cahill Formation plus Oenpelli Dolerite dominate in this area.

Conventional RC/core drilling and helicopter supported core drilling mainly focused on the South Horn and Caramal prospects with little work elsewhere.

- **Caramal (27 holes).** Wide spaced diamond drilling was undertaken to the northeast of the Caramal mineralisation defined by QML in the 1970’s. Drilling intersected chlorite altered meta-sediments of the Cahill Formation as well as anomalous thorium and rare earth geochemistry associated with altered meta-arkoses and patch uranium anomalous.
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- **South Horn** (32 holes). Drilling intersected uranium mineralised intervals of up to 1% uranium over 6m in SHD-04 and narrower intervals of up to 1.4 g/t Au. The mineralisation is hosted within altered dolerite in quartz veins with accessory sulphides (dominantly chalcopyrite and molybdenite). There is a selvedge of uranium minerals on the edge of the quartz with hematite – sericite alteration extending up to 3 cm from the vein. Chlorite alteration and alteration of titaniferous magnetite to leucoxene extends several metres from the veins.

  ![Uraninite grains at 76m down hole SHRD04 (interval 6m @ 1% U₃O₈)](photo1)

  *Photo taken by D G Jones 1st October 2010*

- There is also minor anomalous uranium in garnet and graphite bearing schist in the south of the prospect area. Four heli-supported core holes were also drilled to test geophysical and structural targets to the west of South Horn with negative results.

- **GurriGarr**. A single hole was drilled near the old trenches. Due to rugged terrain the hole was not sited in the optimum position to test the target.

- **NE Myra**. A single hole was drilled to test a subtle radiometric anomaly near the east-northeast trending NE Myra Fault. The hole was collared on sandstone 100m to the north of the fault and drilled at 340° away from the fault. The hole intersected extensive silicification-desilicification and chlorite alteration in the sandstone and moderated to strong hematite-chlorite alteration in mostly psammitic rocks below the unconformity, which is at 264m. There is +200m vertical displacement, (north side down) on the east-northeast structure. The drill hole did not test the major east-northeast structure.

- A single hole was drilled targeting EM anomaly 11/12 which had been confirmed by a TEMPEST survey conducted in 2001. The drilling intersected sulphidic metasediments, confirmed in petrography to be similar to those at Two Rocks. Analytical results show up to 1330 ppm Zn and 536 ppm Cu, but no anomalous uranium. The sediments locally contain trace graphite, and unaltered staurolite bearing schist was intersected at the end of the hole.
6.2.4 Post 2000

In 2001 a detailed airborne magnetic and radiometric survey was flown above part of ELs 2505 and 7029. This survey targeted the northwest tending structural corridor which hosts the Nabarlek uranium mine to the northwest of the survey area. TEMPEST surveys were also flown over the South Horn area, EM Anomaly 11/12 and the north-eastern part of EL2505. This survey successfully delineated the EM conductor and the unconformable horizon in the South Horn area, but was unsuccessful in EL2505 in determining the depth to basement due to near surface conductive Nungbalgarri Volcanics.

Several ground-based geophysical surveys were conducted primarily over the Caramal and South Horn Prospect areas. These included Protem, nanoTEM, Max-min, CSAMT and gravity. Other work at South Horn included regional outcrop sandstone sampling and PIMA studies at South Horn, Caramal and NE Myra.

Various airborne and ground based geophysical surveys have been conducted on the TCCP including:

- airborne radiometrics and magnetics over the Gorrunghar, Mordijimuk and GurriGarri prospect areas.
- airborne TEMPEST (Time Domain Electromagnetics) covering the northern part of SEL24922, Two Rocks, Caramal and South Horn.
- airborne gravity at 2km spacing over the entire tenement area as part of a larger regional survey
- ground based SAM (Sub-Audio Magnetics) at NE Myra.
- ground based gravity over Two Rocks.

The ARJV was dissolved on 1 March 2003 and Cameco Australia Pty Ltd ("Cameco") assumed full ownership of the TCCP after Afmeco withdrew from uranium exploration in the NT. Cameco initially undertook a regional characterisation study of the Kombolgie Formation which included rock chip sampling and PIMA analysis. The focus of the study appeared to be exploration for regional alteration halos in the sandstone.

Drilling programs undertaken by Cameco included:

- aircore / rotary air blast (RAB) drilling
  - NE Myra - 144 holes for 3,196 m.
  - Two Rocks - 55 holes for 1,369 m.
- truck mounted diamond drilling
  - Two Rocks - 6 holes for 2,386.6 m.
  - Khyber Pass - 1 hole for 141.7 m.
  - helicopter supported diamond drilling
  - NE Myra – 8 holes for 2,129.5 m.
  - TEMPEST Anomaly – 2 holes for 609.3 m.
  - GurriGarri – one hole 224.6 m.

The drilling at Two Rocks intersected patchy uranium mineralisation. The best intersections were in MRD0101 with 0.8m @ 4.16 % U₃O₈ from 71.9m and MRD-0104 with 0.5m at 1.1% U₃O₈ from 36.5m.
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Photo 2. Two Rocks drill hole MRD 101 at 72m (0.8m @ 4.16 % U₃O₈) showing wispy uraniuminite along cleavage

Photo taken by D G Jones on 1st October 2010

Drilling at NE Myra identified anomalous uranium with a best result from TCD3007 which returned 2.5m @ 1,002 ppm U₃O₈ as well as 132 ppb Au and anomalous levels of Pt, Pd, Li, Sn and Zn. The anomalous basement-hosted uranium intervals in the eight cored holes (including TCNMD0001 drilled by Afmeco) drilled at NE Myra are all contained within the hanging wall of a major reverse fault with ~250m of vertical displacement. The mineralisation is hosted within intensely chlorite-altered units of the Cahill Formation and is spatially related to extensive hematite breccias in both sandstone and basement.

Drill holes TCTPD001 and TCD3003 indicated that the conductive basement feature identified in TEMPEST data is related to narrow graphitic shear zones within the pelitic Cahill Formation. Weakly elevated uranium was intersected within granitic pegmatoids, but no anomalous uranium was intersected in association with the graphitic shears. This drilling however indicated the presence of extensive prospective Cahill Formation lithologies under the Kombolgie Formation in the northern part of the project area.

In 2005, Cameco applied to consolidate the tenements in the TCCP area into two Substitution Exploration Licences. Exploration on these tenements commenced during 2007. Application for EL 25002, which covers an area of 10.83 km² (4 blocks) and occupies an area that was previously within the southern part of EL 2505, was lodged on 19 April 2006. EL 25002 was granted to Cameco on 2 September 2008 for an initial period of six years. No ground-based exploration has been conducted over EL 25002 since the tenement was granted.

In the period to from 2007 to 2009 Cameco conducted exploration over the TCCP area which comprised RAB/aircore drilling, reverse circulation drilling, various airborne geophysical surveys (TEMPEST and Sub-Audio Magnetics), and diamond drilling. The focus of work during this period was the NE Myra project area.

The best uranium assay returned from the various RAB/aircore drill programs was 156 ppm U₃O₈ from drill hole TCB3142 which was drilled in 2005. Regionally, the project area was found to contain anomalous concentrations of Ni, Au, Co, V, Cu, Zn, Ag, Pb, As, Li Sn, W, TiO₂ and Cr. Best uranium assay results from the various reverse circulation drilling programs included 6.6 m @ 1600 ppm U₃O₈ in drill hole TCR3243 within chloritised amphibolite from the North East Myra Fault zone.

Exploration in 2009 consisted of one helicopter-supported diamond drill hole (TCD3245) for 242.70m on SEL24922, an aircore drilling program of 96 holes for a total of 1,097m to the west of Caramal on SEL24291, reconnaissance and outcrop sampling, and a geological evaluation of NE Myra, Caramal and South Horn by CSA Global.
6.3 Previous Resource and Reserve Estimates

QML undertook an evaluation of the Caramal deposit using a cut-off grade of 0.1% U₃O₈ (Foy, 1981). A small historical resource which QML placed in the Proven to Probable category was calculated, with a larger potential estimated. QML believed "that further exploration could increase these figures". The calculations were carried out prior to the introduction of the Joint Ore Resources Committee ("JORC") Code and do not meet the requirements under that Code. A later historical resource was compiled in 1988 by Pioneer Mines Limited (then owner of QML) which estimated a relatively small tonnage at a grade of 0.33% U₃O₈. This estimate also does not meet the requirements of the JORC Code.
7 GEOLOGICAL SETTING

7.1 Regional Geology

The Myra Falls region is in the Alligator Rivers Uranium Province ("ARUP"), in the north-eastern part of the Pine Creek Orogen. The Pine Creek Orogen contains Early Proterozoic metasedimentary rocks (with local volcanics) resting on a gneissic and granitic Archaean basement that is exposed in the core of the Myra Falls Inlier (Figure 7 and Figure 8). The metasediments have a preserved aggregate thickness of up to 14 km (Needham & others, 1980). Between 1870 and 1800 Ma the sequence was folded, and metamorphosed to the amphibolite facies in the ARUP and to the greenschist facies elsewhere. In the extreme northeast of the Orogen the metasediments are migmatised.

![Figure 9. Simplified regional geology, Pine Creek Orogen](image)

The low-grade Paleoproterozoic metasediments in the Orogen are mainly shale, siltstone, slate, sandstone, conglomerate, carbonate rock, and greywacke. The pelitic rocks are commonly carbonaceous; the medium-grade (amphibolite-facies) rocks are schist and gneiss. These strata are extensively intruded by pre-tectonic dolerite sills and post-tectonic granite plutons and dolerite lopoliths and dykes. Younger, mainly sandstone, units of Carpentarian, Adelaidean, and Cretaceous age rest on these rocks with marked unconformity.

7.1.1 Regional Stratigraphy

The oldest exposed rocks in the ARUP are included in the Neoarchaean (ca. 2500 Ma) Nanambu Complex. This consists of paragneiss, orthogneiss, migmatite, and schist forming domal structures that are unconformably overlain by Paleoproterozoic metasedimentary and metavolcanic rocks, which were formerly included in the Pine Creek Orogen. Paleoproterozoic rocks in the ARUP are amphibolite-facies psammites assigned to the Mount Howship Gneiss and the Kudjumarndi Quartzite.
These formations are included in the Kakadu Group and are probably correlatives of the Mount Basedow Gneiss and Munmarlary Quartzite, respectively (Ferenczi et al., 2005). The group appears to on-lap NeoArchaean basement highs, but gneissic variants are also thought to be transitional into paragneiss of the Nanambu Complex.

Figure 10. Stratigraphic correlations and deposit positions, East Alligator Region

Figure from Fabray et al, 1998
The Cahill Formation of the Namoona Group conformably overlies the Munmarlary Quartzite. The lower part of the Cahill Formation (informally referred to as the Lower Cahill Formation) hosts the Nabarlek, Ranger and Jabiluka uranium deposits. The Lower Cahill Formation consists of calcareous marble and calc-silicate gneiss, which is overlain by pyritic, garnetiferous and carbonaceous schist, quartz-feldspar-mica gneiss, and minor proportions of amphibolite.

The informally named Upper Cahill Formation is psammatic (sandy) and consists of feldspar-quartz schist, quartzite, lesser proportions of mica-feldspar-quartz-magnetite schist, and minor proportions of metaconglomerate and amphibolite. The Cahill Formation is magnetic, particularly at the base of a psammitic unit in what is informally known as the 'hangingwall sequence' at the Ranger mine. The magnetism is due to the presence of mafic sills or magnetite and is used to distinguish the Cahill Formation from surrounding less magnetic rocks (Kendall, 1990). Mafic sills and dykes assigned to the Goodparla and Zamu dolerites intrude the Upper Cahill Formation.

The Nourlangie Schist overlies the Cahill Formation and consists of argillaceous to quartzose phyllite and quartz-mica schist that locally contain garnet and staurolite.

The supercrustal rocks of the region are structurally complex, having been affected by at least three deformation events before the deposition of the late Paleo- to Mesoproterozoic Kombolgie Subgroup (Thomas, 2002). The rocks have also been locally migmatised during the ca. 1847-30 Ma Nimbuwah Event. In addition, there is a broad trend of increasing grade from southwest to northeast in the Nimbuwah Domain. This gradient is thought to reflect the synchronous emplacement of ca. 1865 Ma granites in the Nimbuwah Complex.

The Kombolgie Subgroup is the basal unit of the late Paleo- to Mesoproterozoic Katherine River Group of the McArthur Basin (Sweet et al., 1999a, b). The subgroup consists of sandstone units called the Mamadawerre Sandstone, Gumarrimbang Sandstone, and Marlgowa Sandstone, which are divided by thin basaltic units called the Nungbalgarri Volcanics, and Gilruth Volcanics. The Mamadawerre Sandstone has a minimum age of ca. 1700 Ma, which is the minimum age of the intrusive Oenpelli Dolerite. Detrital zircon SHRIMP data from the Geoscience Australia OZCRON database constrain the maximum age of the sandstone at ca. 1810 Ma.

The Oenpelli Dolerite is the most pervasive mafic intrusive suite to affect the Alligator Rivers region and is the youngest Proterozoic rock unit exposed. It intrudes various NeoArchaean and Paleooproterozoic units, and the Kombolgie Subgroup, forming magnetic sills, dykes, lopoliths, and laccoliths.
The Oenpelli Dolerite has a SHRIMP U-Pb baddeleyite date of 1723 ± 6 Ma (Ferenczi et al., 2005), however geochemical and geophysical data suggest several phases of intrusion throughout the region. These intrusive events had a pronounced thermal effect within the Kombolgie Subgroup, with the promotion of fluid flow and aquifer or aquitard modification. Localised effects in the sandstone include silicification, desilicification, chloritisation, sericitisation, and pyrophyllite alteration. A characteristic mineral assemblage of prehnite-pumpellyite-epidote has formed in the quartzofeldspathic basement rocks adjacent to the intrusions.

Deformation since deposition of the Katherine River Group includes transpressional movement along steep regional-scale strike-slip faults and possibly some shallow thrusting. These regional faults follow a pattern of predominantly north, northwest, north-northwest and northeast strikes, giving rise to the characteristic linearly-dissected landform pattern of the Kombolgie Plateau. Another significant set trends east-west and includes both the Ranger and Beatrice Faults.

Post-Kombolgie displacements along faults have not been great, because the Arnhem Land Plateau is essentially coherent and offsets along lineaments are generally minor. Field investigations of many interpreted ‘faults’, including those with a marked geomorphic expression, show no displacement, and are best described as joints or lineaments (Thomas 2002).

Erosional remnants of flat-lying Palaeozoic Arafura Basin and Cretaceous Carpentaria Basin are present as a veneer throughout the coastal zone of the Top End. Various regolith components are ubiquitous as cover throughout much of the region.

7.2 Local Geology

The granted tenements are centrally located over the Myra Falls Inlier and cover the Paleoproterozoic metasediments of the Cahill Formation. Ridges of Kudjumardi Quartzite (Kakadu Group) occur extensively in SEL 24922. Metamorphic grade increases to the east and southeast, while lithologies in the west and north are predominantly amphibolitic. Some prospects overlie carbonaceous schist and psammitic schist (Mordijimuk, Gorrunghar and GurriGarri) of the Lower Cahill Formation which has also been observed in the Myra Falls area. In this central part of the tenements, the Lower Cahill
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Formation is characterised by approximately 5% sulphides in calc-silicate gneisses and carbonaceous schists.

![Figure 11. Local geology, Myra Falls Inlier](image)

Figure compiled by D G Jones. Legend shown below.

<table>
<thead>
<tr>
<th>Era</th>
<th>Age Ma</th>
<th>Unit</th>
<th>Colour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quaternary</td>
<td>1688-1718</td>
<td>Oenpelli Dolerite</td>
<td></td>
</tr>
<tr>
<td>Cenozoic</td>
<td>1740-1810</td>
<td>Kombolgie Subgroup</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1780-1732</td>
<td>Tin Camp Granite</td>
<td></td>
</tr>
<tr>
<td>Paleoproterozoic</td>
<td>1800-2250</td>
<td>Zamu Dolerite</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1865-2500</td>
<td>Cahill Formation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2000-2200</td>
<td>Kakadu Group</td>
<td></td>
</tr>
<tr>
<td>Archaean</td>
<td>2500</td>
<td>Nanambu Complex</td>
<td></td>
</tr>
</tbody>
</table>

Drilling at South Horn (now located in SEL 24921), approximately 8 km south of Caramal, has confirmed the presence of Nanambu Complex as shown in mapping data, but has also shown that probable Cahill Formation equivalents occur below the Kombolgie sandstones to the west of the Beatrice Fault. There is minor graphite locally in these dominantly quartz-biotite-garnet schists and gneisses. The contact between the Nanambu Complex and interpreted Cahill Formation is marked by a complex migmatite zone.
In the NE Myra area correlations are more problematic. There is a prominent ridge of interpreted Kudjumardji Quartzite to the immediate south of the faulted contact zone between the Cahill Formation and the Kombolgie, with the inference that the overlying rocks are basal Lower Cahill Formation. However, calc-silicate rocks and carbonaceous lithologies which characterize Lower Cahill Formation, and which are well-represented just 6 km to the southwest, are rare in the NE Myra area. The psammopelitic gneisses and amphibolite which characterize NE Myra are better correlated with the Lower Arkosic and/or Amphibolitic Unit of the Lower Cahill Formation. To the south of the quartzite ridge lithologies, as determined from RAB drilling, metasediments and amphibolites are dominant. NeoArchaean (ca. 2500 Ma) Nanambu Complex gneiss is observed 1.6 km south of the ridge. Faulting and folding may explain the absence of the Nanambu immediately below the Kudjumardji Quartzite to the south and apparent absence of the Lower Cahill Formation to the north.

Kudjumardji Quartzite is not as extensive to the south of the western part of SEL 24922 as indicated by Government mapping. Quartzite in this area is mostly exposed as a gentle south dipping dip-slope, which explains the extensive exposures. However, the quartzite does not immediately underlie the unconformity in the east. The quartz-mica-(biotite) schists and minor amphibolite in this area are better assigned to the Upper Cahill Formation. There is extensive but mostly thin Cainozoic cover in this area that obscures lithological contacts.

In the north of SEL 24922 in an area covered by sandstone, drilling in 2004 intersected rocks unlike any others in the tenement area. There are two main stratigraphic units comprising finely laminated pelitic to psammopelitic schist and a finely laminated para-amphibolite sequence containing pyrrhotite. Graphite is associated with this sequence. This stratigraphy appears comparable to the ‘banded amphibolite’ with associated graphite described by QML from several prospects in the Nabarlek tenement to the north. The para-amphibolite is typically about 60-70 m thick.

The distribution of Tin Camp Granite as shown by industry work is slightly different to that indicated by Government mapping. In particular, the Caramal area and to the north (along the east-west structure approximately 2 km north of Caramal) comprises less extensive outcrop than that shown on government maps, however more extensive outcrop has been mapped near the north-eastern boundary of SEL 24922. There is an excellent exposure of sandstone unconformably overlying granite in this locality, and xenoliths of Kudjumardji Quartzite in the granite nearby. There are also quartz-feldspar porphyries in this area, which spatially appear to be part of the Tin Camp Granite.

In the Caramal area Government mapping shows the rocks to be Cahill Formation. However both quartzite and quartz-feldspar-(biotite) gneiss interpreted to belong to the Kudjumardji Quartzite and Mt Howship Gneiss respectively both crop out and have been intersected in drilling.
Other units intersected in drilling here are dominantly 'meta-arkose' but include minor calc-silicate at depth. To the west of Caramal and extending north there are good exposures of quartzofeldspathic gneiss along creeks; these exposures include fleck migmatised (Parks and Beckitt, 2003) and coarse grained varieties, and it has been postulated by some workers that some of these exposures are Nanambu Complex. Needham (1985) interprets these gneisses which locally are more mafic than typical Mt Howship Gneiss as a partly migmatised equivalent of the Mt Basedow Gneiss and includes it in the lit-par-lit zone of the former Myra Falls Metamorphics (now part of the Cahill Formation).
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8 DEPOSIT TYPES

Historically, the ARUP deposits have been regarded as being “unconformity-related” deposits, although the influence of structure and the presence of the Oenpelli Dolerite at Nabarlek have also been assumed to have some importance. The unconformity-related deposit class includes the Ranger deposits (Orebody No.1 and Orebody No.3), Jabiluka and Narbalek in the ARUP, and Cigar Lake and McArthur River in the Athabasca Basin in Canada. The Cigar Lake, McArthur River, Ranger and Jabiluka deposits represent 4 of the largest uranium deposits in the world. This deposit class represents approximately 30% of the world’s low cost uranium resources and is characterised by high grades compared to sandstone and intrusive related deposits resources (McKay and Miezitis, 2001).

The contained resources of the major deposits of the ARUP are shown in Table 4 below.

<table>
<thead>
<tr>
<th>Deposit</th>
<th>Tonnes</th>
<th>Grade (% U₃O₈)</th>
<th>Contained U₃O₈ (Mlbs U₃O₈)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranger 1 - Past Production mined (0.1% COG)</td>
<td>18.04 Mt</td>
<td>0.338</td>
<td>134</td>
</tr>
<tr>
<td>Ranger No.3 – Pre Mining Resource (0.1% COG)</td>
<td>19.0 Mt</td>
<td>0.30%</td>
<td>130</td>
</tr>
<tr>
<td>Jabiluka 2 (0.2% COG)</td>
<td>29.6 Mt</td>
<td>0.48</td>
<td>312</td>
</tr>
<tr>
<td>Koongarra 1</td>
<td>1.8 Mt</td>
<td>0.80</td>
<td>32</td>
</tr>
<tr>
<td>Nabarlek (Past Production)</td>
<td>0.56 Mt</td>
<td>1.92</td>
<td>24</td>
</tr>
</tbody>
</table>

(Source for Ranger and Jabiluka Resources – past ERA Annual reports and publications, Koongarra Resources from Miezitis 2001, Narbalek past production from NTGS)

Table 4. Contained Resources of the major deposits of the ARUP

Historical descriptions and discussions of this deposit model style have focused to a large extent on the similarities of the Athabasca Basin and ARUP deposits. These similarities include:

- proximity to the unconformity between Mid-Proterozoic fluvial sandstones and underlying Lower Proterozoic metamorphosed metasediments.
- Similarities in the respective lithologies of both the sandstone and the basement lithologies
- The deposits are regionally close to Archaean gneissic complexes
- The deposits are structurally hosted or controlled.

These characteristics have controlled historical exploration practice and methodology in the ARUP.

There are however significant differences between the two deposit styles. A comparison of the two deposit types is presented in Table 5. In summary, Canadian deposits occur below, at, and above the unconformity, are associated with intensive clay (kaolinite, illite) alteration, and with high angle faults which clearly cut across both basement and sandstone lithologies. Extensive alteration and geochemical signatures are observed in the overlying sandstones including tourmaline alteration. In contrast, the ARUP deposits occur exclusively in basement lithologies and importantly, extend hundreds of metres into basement rocks. Alteration associated with mineralisation is dominated by massive chloritisation with subordinate sericite and hematite alteration. Mineralisation at Ranger and Jabiluka is associated with low angle listric thrust and breccia zones which are semi-concordant with lithological layering. At Ranger mineralised zones comprise material within breccia zones controlled by stacked listric faults which are semi-conformable within the metamorphic stratigraphy. Cross sectional representation of the Ranger No.3 deposit is provided in Figure 13.

At Koongarra, the bulk of the known mineralisation occurs in a manner similar to Ranger, although a nearby high angle thrust fault has locally displaced the stratigraphy but has had no effect on the mineralisation.

At Nabarlek, the mineralisation is cross-cut by later intrusions of Oenpelli Dolerite. Later remobilisation has localised a minor amount of uranium within fractured dolerite at the edge of this intrusion.

At Jabiluka, the main deposit (Jabiluka No.2) is located some 500 metres down dip of minor surface mineralisation (Jabiluka No.1), separated by poorly mineralised although altered rocks. Similarly the
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Ranger 3 Deeps discovery shows uranium mineralisation can extend significantly beneath the inferred unconformity surface.

Table 5. Comparison between ARUP and Athabasca-style uranium deposits

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>ALLIGATOR RIVERS</th>
<th>ATHABASCA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age of host rocks</td>
<td>Lower Proterozoic</td>
<td>Lower Proterozoic*</td>
</tr>
<tr>
<td>Graphitic metasediments associated with U mineralisation</td>
<td>Very minor</td>
<td>Major, especially with major structures</td>
</tr>
<tr>
<td>Palaeo-weathering profile below u/c</td>
<td>Extremely minor, if at all</td>
<td>Deep (cm ~ 70m)</td>
</tr>
<tr>
<td>Maximum age of mineralisation</td>
<td>1750-1830</td>
<td>~1726-1750</td>
</tr>
<tr>
<td>Type of major mineral control structure</td>
<td>Low-angle listric thrusts</td>
<td>High-angle normal &amp; reverse faults</td>
</tr>
<tr>
<td>Major structure penetrates cover</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>Mineralisation in cover</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>Altered Mid-Proterozoic cover</td>
<td>Locally, NOT related to mineralising structures</td>
<td>Extensive; related to mineralising events</td>
</tr>
<tr>
<td>Average mining grade %U3O8</td>
<td>0.12 - 0.5%</td>
<td>0.5 - 10.0% +</td>
</tr>
<tr>
<td>Metallic nature</td>
<td>Almost entirely U</td>
<td>Major U</td>
</tr>
<tr>
<td></td>
<td>Minor/minor Au, PGE</td>
<td>Minor &amp; trace Ni, Co, Cu, As, Zn, Pb, Mo, Au, Ag, Se, PGE, REE</td>
</tr>
<tr>
<td>Dravite (tourmaline) alteration</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>U-enriched basement and host rocks</td>
<td>Nanambu, possibly Cahill</td>
<td>Some felsic metapelites, intrusives</td>
</tr>
<tr>
<td>U source</td>
<td>Basement metamorphic</td>
<td>Primarily basement fluids, ?mixed with Athabasca Fm fluids</td>
</tr>
</tbody>
</table>

All of the major deposits of the ARUP are hosted by the Cahill Formation. Favourable host rocks are pelitic and carbonate metasedimentary rocks of upper greenschist to amphibolites facies metamorphic grade. Minor graphite occurs at Ranger, Koongarra and Jabiluka. The mine sequence at Ranger provides a well-studied example:
Primary uranium minerals are uraninite with lesser coffinite and brannerite. In the weathered zone, secondary phases, such as meta-torbernite, saleeite, sklodowskite and kasolite, are present.

The age of mineralisation in the ARUP remains controversial. Numerous age dates have been attained from the various deposits, the oldest being in the range of 1737 to 1750Ma at Ranger. Browne (2008) considers the earliest dates in the formation of the major deposits while the later range of dates represent an expression of overprinting events by known and documented orogenic events in Northern Australia and considers the earlier dates to be the most significant in the formation of the major deposits. Significantly this places mineralisation as being earlier than both the Oenpelli Dolerite (1688 - 1713Ma) and the major offsetting structures which post date the Dolerite.
Table 6. Dating of uranium mineralising episodes and orogenic events in northern Australia

Table from Browne (2008)

At Ranger, the sandstone-schist unconformity only occurs as minor faulted unmineralised blocks at the No.3 pit. The vast majority of the mineralisation comprises material within breccia zones controlled by stacked listric faults which are semi-conformable within the metamorphic stratigraphy.

Figure 13. Cross-section through Ranger

showing structurally-controlled mineralisation not related to the unconformity

Diagram from Rogers et al, 2009

This type of structure is the major confining structure set at both Ranger and Jabiluka, and is considered to have provided the initial and later reactivation focus of upward mineralising fluid pathways. Later cross-structures, normal-and reverse-faulted, provide an extra mineralising control feature. Lithological control has probably been much less than previously proposed, i.e. carbonates
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and carbonaceous material have provided only a localised influence. Lithology has played a large part due to relative competency contrasts, permitting focusing of the structures.

Figure 14. Conceptual tectonic setting and mineralising fluid pathways, Ranger 3 deposit
Diagram from McCoy et al, 2009

Figure 15. Listric faults mapped in the Ranger 1, No.3 pit
Diagram from Browne, 2008
8.2 Genetic and exploration implications

Much of the modern exploration undertaken in the ARUP and in particular exploration within Arnhem Land has been influenced to some extent by the Athabasca model. A number of explorers have employed techniques to search for and characterise Athabasca style alteration in the Kombolgie Sandstone. This includes HYMAP surveys and PIMA mapping. Late structures which transect the Kombolgie Sandstone have also been targeted.

Alternatively it can be argued that the Australian deposits show key differences in alteration, occurrence and a total lack of significant mineralisation related alteration in overlying sandstone. Exploration programs need to consider techniques that can discover blind deposits under the sandstone cover which focus on favourable basement lithological and structural characteristics.

A further consideration of potential deposit styles is the footprint of the deposit. While the Ranger and Jabiluka deposits are among the largest in the world in terms of contained pounds U3O8, high grade deposits such as Nabarlek (150m long by 30m wide) and Koongarra (300m long by 50m wide) can have small footprints. Furthermore, as characterised by the Jabiluka 2 orebody, a major deposit can occur a significant distance down dip of relatively small near-surface deposits.

In summary, the key exploration related features of uranium mineralisation in the ARUP include:

- uranium mineralisation occurs within the Cahill Formation (or equivalents)
- uranium mineralisation occurs below the cover Mid-Proterozoic sandstone and without any mineralisation related signatures within the sandstone.
- uranium occurs localised in low angle structures, semi-conformable with the stratigraphy

Exploration focused on these characteristics has been limited in the Arnhem Land part of the ARUP.

9 MINERALISATION

Uranium mineralisation consisting of pitchblende, confirmed by microscopy, and various secondary uranium minerals, has been found at a number of localities within the Tin Camp Creek Project area. Most prominent of these are the Caramal, South Horn, Two Rocks and Gorrunghar prospects. The mineralisation is typically found in shear zones within the Lower Cahill Formation. A brief description of these prospects is provided below.

9.1 Caramal

Caramal is located in the northern part of SEL24921. The deposit was discovered in the early 1970’s and was briefly revalued by Afmeco in the late 1990’s. A historic resource has previously been published in NTGS and Geoscience Australia publications, however the resource is not JORC compliant and is therefore not discussed in this document and at this stage should be considered an advanced stage exploration prospect. The following summary of this prospect is based on previous studies undertaken by Foy (1981) and Dorling (2008), a site visit and inspection of drill core.

Uranium mineralisation has been identified in 20 drill holes out of 54 holes drilled in the broader prospect area (see Table 3 in Section 8.2.5 above). Mineralisation is associated with strongly chloritised meta-arkoses of the lower Cahill Formation. Dorling (2008) described the Caramal deposit as being: “next to the Nabarlek deposit, the single most significant occurrence of primary uranium mineralisation in ARUF that is not located in the Ranger-Jabiluka uranium mining district. This is considered to highlight the prospectivity of the host-rock formation, the prospectivity of the geological setting and the potential for discovery of primary uranium mineralisation away from the well endowed Ranger corridor.”
In broad terms the prospect area has been interpreted as consisting of an east to ENE trending synclinal basin of lower Proterozoic meta-sediments of the Cahill Formation underlain by Archaean gneiss. The western part of the prospect area outcrops while the eastern part of the area is overlain by the Kombolgie Formation. Mineralisation occurs within altered clastic and carbonate meta-sedimentary rocks interpreted as belonging to the lower part of the Cahill Formation. The exposed rocks include quartzites correlated with the Kudjumandji Quartzite, which rests unconformably above migmatised Mt Howship Gneiss. The basement contact was interpreted to trend to the northeast (approximately 045°) and dip moderately (45°) to the northwest. Quartz chlorite zones mapped by QML were interpreted to have a similar orientation.

Dolerite intrusions, correlated with the Oenpelli Dolerite, occur as low-angle discordant sub-horizontal sills. This occurrence of the dolerite has not been observed to have intruded the sandstone but occurs below the unconformity. The dolerites do not show evidence of post-intrusion deformation. Between drill hole traverses, the geometry of the dolerite shows rapid variation, due in part to structural dislocation. Airborne magnetic survey data also indicates the dolerite dyke is offset substantially to the south east of an apparent north-south structure under the Kombolgie Formation. Drilling data also indicates an offset of the lower basement contact to the south in this region.
At Caramal, the mineralised intercepts appear to occur associated with a zone of moderately intensely foliated and altered quartzitic schists, corresponding to the third deformation event ("D₃") coincident with the peak metamorphism. The initial D₁ folding was followed by development of crenulation cleavage (D₂) prior to D₃. The uranium mineralisation tends to occur as disseminated cubes which may coalesce to form clusters of filaments and flakes aligned with sub-horizontal D₃ foliation. Flat listric structures occur parallel to the foliation; they offset the younger dolerite intrusive and thus post-date the dolerite. The controlling feature is the intensity of deformation; the uranium grade appears to fade as the level of deformation diminishes.

Microscopically the uranium minerals are associated with rutile, apatite and galena, all contained within chlorite alteration that has almost totally replaced the mineralogy of the original metasediments and dolerite. The most extensive alteration involves replacement of biotite by chlorite and feldspar by sericite. The chlorite appears to post-date silicification. This style of retrograde metamorphism is a common feature of deposits in the ARUP.

Pyrite and chalcopyrite have been detected, associated with the silicification. Small amounts are common in the Zamu Dolerite but are probably of little economic significance. Visible hematite occurs in relative abundance in the higher-grade sections of core. This is not unexpected as hematite and uraninite precipitate under very similar physico-chemical environments. A generally continuous body of mineralisation has been identified by previous drilling which appears to trend in an ENE direction over a defined strike length of approximately 200m. The mineralised zone occurs broadly in proximity to the dolerite intrusion, however the dolerite is generally barren. This zone is relatively well defined by close spaced drilling. To the east of this zone the drill spacing becomes wider (100 to 200m section spacings and 50 to 100m hole spacing along section lines). Weaker uranium mineralisation has been identified in drill holes CADD33 and 34 indicating that mineralisation may continue to the northeast.
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Alligator Energy geologists (pers comm) consider that mineralisation is associated with listric structures within the metasediments that are semi parallel with the northwest dipping basement contact and quartz chlorite zones mapped by QML geologists, and the S2 foliation planes described by Dorling (2009). This interpretation is based on observations of the occurrence of intense chlorite alteration and strong uranium mineralisation with more strongly sheared and ductile deformation of zones semi-parallel to schistosity. This mode of occurrence is consistent with mineralisation at Ranger and Jabiluka.

Chlorite alteration is recorded in a majority of drill holes and extends to the limit of current drilling. Strongly anomalous thorium and rare earth element ("REE") geochemistry occurs in a number of drill holes, peripheral to the mineralised zones. Thorium has been identified primarily by spectrometer analysis, however multi-element analyses for a number of spot samples of drill hole TCCAD-54 subsequently selected by Afmeco are available. Highest thorium and REE assays (all in ppm) are as follows:

<table>
<thead>
<tr>
<th>From (m)</th>
<th>To (m)</th>
<th>Interval (m)</th>
<th>Th</th>
<th>La</th>
<th>Ce</th>
<th>Nd</th>
</tr>
</thead>
<tbody>
<tr>
<td>282.0</td>
<td>282.7</td>
<td>0.7</td>
<td>1110</td>
<td>2130</td>
<td>3950</td>
<td>1490</td>
</tr>
<tr>
<td>270.4</td>
<td>271.0</td>
<td>0.6</td>
<td>1090</td>
<td>2180</td>
<td>3740</td>
<td>1560</td>
</tr>
<tr>
<td>290.1</td>
<td>291.1</td>
<td>1.0</td>
<td>761</td>
<td>1440</td>
<td>2650</td>
<td>1050</td>
</tr>
</tbody>
</table>

Table 7. Thorium and REE analyses, Caramal drill hole TCCAD-54

The broad distribution of thorium anomalism in the Caramal area warrants further investigation for REE mineralisation as there has been very little previous attention to this aspect.

9.2 South Horn

Uranium mineralization has been identified at the South Horn prospect adjacent to the regionally significant Beatrice Fault. The South Horn prospect is part of a 4km long complex of radiometric anomalism located adjacent to the Beatrice Fault. Uranium mineralisation has also been intersected sporadically in widely spaced RC/Diamond drill holes along the length of this zone. The area was
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originally discovered and explored by Afmeco in the late 1990’s. Afmeco assessed the uranium content in RC/diamond drilling primarily by downhole gamma surveys with sporadic check assays by chemical analytical methods. Best intersections defined by XRF analysis include drill holes SHD-4, 15m @ 0.47% U₃O₈ from 63.0m and SHD-6, 13m @ 0.21% from 30m. Anomalous uranium assays were also returned from drill holes SHD-18 (23m @ 234ppm U₃O₈ from 29m) and SHD-24 (17m at 392ppm U₃O₈) which are located 3.5km and 2.5km north east of the South Horn prospect respectively. A number of other drill holes have significant anomalous downhole gamma responses but have not been assayed by chemical techniques. These holes include SHD-2, SHD-3 and SHD-32.

Uranium mineralisation and anomalism in the South Horn area is associated predominantly with dolerite above the contact between the Kombolgie Formation (footwall) and the Oenpelli Dolerite. The contact follows the curvilinear SW-NE trending Beatrice Lineament. Sandstone of the Kombolgie Formation, which occurs on the western side of the fault, is between 150 and 200m in thickness and unconformably overlies metamorphic basement consisting of gneissic lithologies and migmatites of the Nimbuwah complex and meta-pelites of the Cahill Formation. The dolerite, although dyke-like near surface, widens at depth and has been interpreted to have the geometry of a sill at depth.

The host rock is a coarse-grained partly granophyric dolerite that shows regional chloritisation. The mineralisation is associated with close-spaced small fractures. Mineralised structures are narrow breccia intervals dominated by quartz-haematite alteration, enveloped by chlorite and minor sericite alteration. No consistent orientation of the veins has been determined although the veins occur at moderate to high angles to the long core axis. Limited continuity of individual mineralised veins is inferred between adjacent drill holes although veins within a brittle ductile deformation envelope may extend beyond the inferred lateral continuation of the individual veins.
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Dorling (2008) concluded that mineralisation was associated with splay structures off the Beatrice Fault, however considered that there was insufficient drilling density in the prospect area to determine the geometry and extent of mineralisation.

Anomalous uranium has also been intersected sporadically along the 4km length of radiometric anomalies adjacent to the Beatrice Fault. Mineralisation in drill holes SHD-18 and SHD-24 is located 3.5km and 2.5km respectively, north east of the South Horn prospect.

Anomalous U has also been intersected in drill holes SHD-18 and SHD-24.

Figure 20. Radiometric anomalies and some previous drill holes, South Horn prospect

Figure supplied by Alligator

Limited drilling has been undertaken on the western side of the Beatrice Fault. The Kombolgie Formation in this area is underlain by meta-sedi ments of the Cahill Formation. The southernmost hole (SHD-32) drilled along the broader South Horn trend intersected uranium mineralisation indicated by downhole gamma logs in strongly chloritised meta-pelites of the Cahill Formation under the Kombolgie Formation unconformity surface. Unconformity style mineralisation indicated by SHD-32 is untested outside of this hole.

While the South Horn prospect is considered to have further potential, the broader South Horn region is considered a good exploration target. Untested radiometric anomalies in the vicinity of holes SHD-18 and SHD-24 are considered priority targets.
9.3 Two Rocks

The Two Rocks area was originally identified by Esso and was further evaluated by Afmeco and to a lesser extent Cameco. The area was considered prospective due to the presence of uranium mineralisation, intensive hydrothermal alteration and favourable host lithologies. Past exploration delineated two areas of uranium mineralisation. These were designated as the north and south pods. The south pod has copper-rich sections associated with the uranium mineralisation, while the north pod has uranium only. Best recorded intersections include 4m at 0.82% U₃O₈ from 71m associated with pitchblende vein mineralisation in drill hole MRD-101, 4m at 1821ppm U₃O₈ from 9m in MRR-47, 12m @ 562ppm U₃O₈ from 6m in MRB093 from 6m. Anomalous copper was also intersected in MRB-93 (12m at 1% Cu) and MRR048 (30m at 0.27% Cu).

Mineralisation at Two Rocks occurs in what has been termed by previous explorers as the "Two Rocks Unit" which is interpreted to be a sub-unit of the Cahill Formation. The Two Rocks Unit conformably overlies and forms a gradational contact with the Kudjumarndi Quartzite. The Two Rocks unit is comprised of calc-silicate gneisses, thin marbles, garnet-rich schists, biotite gneiss, mica schist, graphitic-pyritic schists, quartzites and amphibolites.

Afmeco mapping, drilling and re-interpretation of the Uranerz drilling indicated that the stratigraphy in the Two Rocks area formed part of a regional shallow dipping, northerly trending recumbent fold with the fold closure forming the prominent quartzite ridge to the west of the prospect. Quartz-feldspar-mica gneiss of the Mount Howship Gneiss forms the core of the fold. A schematic interpretation is shown in Figure 21 below.

Mineralisation intersected at Two Rocks is associated with intense chlorite alteration. Coarse muscovite is also associated with the chlorite alteration. Afmeco interpreted that the alteration appeared to have a structural control, associated with more intensely folded rocks and rocks with more steeply dipping foliation. The alteration is spatially associated with the contact of a calc-silicate unit (equivalent to the lower Cahill Formation) and the conformable contact with the Kudjumamdi Quartzite.
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Figure 21. Geological map, Two Rocks prospect
Figure supplied by Alligator
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Figure 22. Interpreted cross-section and conceptual drill targets, Two Rocks prospect

Alligator consider the immediate Two Rocks prospect area to be adequately tested but intend to further explore the “Two Rocks” unit and Cahill Formation equivalents further to the northeast. Specifically, Alligator intend to target a radiometric anomaly and EM anomaly located in the interpreted position of the Two Rocks unit and a thrust fault to the northeast of the historic prospect area. No drilling has been undertaken in this area previously.

9.4 Gorrunghar-Mordjimuk

Gorrunghar was costeaneared and percussion drilled in the early 1970s by QML. Some zones of highly anomalous uranium values were found close to the surface. No work has been done on this prospect since 1973. The prospect is located in schists close to a dolerite contact. Uranium mineralisation was intersected in two drill holes as follows:

<table>
<thead>
<tr>
<th>Hole No.</th>
<th>From (m)</th>
<th>To (m)</th>
<th>Interval (m)</th>
<th>U₃O₈ %</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCGOR-05</td>
<td>25.08</td>
<td>40.92</td>
<td>15.84</td>
<td>0.12</td>
</tr>
<tr>
<td>TCGOR-06</td>
<td>1.32</td>
<td>9.90</td>
<td>8.58</td>
<td>0.33</td>
</tr>
</tbody>
</table>

Table 8. Selected assay intervals in drill holes at the Gorrunghar prospect

Mordjimuk was costeaneared and percussion drilled during the 1970’s. No work has been undertaken since 1973. The radioactivity in the costeans appears to be due to weathered chloritised amphibolite. The prospect occurs along strike from Gorrunghar.

Data on these prospects is sparse however, the uranium mineralisation indicated in historic drilling is considered to warrant further investigation.
9.5 **NE Myra**

The NE Myra prospect is located 15km south of the historic Nabarlek mine, on the northern edge of the Myra Falls Inlier, adjacent to an escarpment of Mamadewere Sandstone (part of the Kombolgie Formation). Cameco discovered the prospect during regional geochemical drilling in 2005. Cameco completed 15 diamond drill holes, 12 RC and 215 RAB drill holes within the prospect area.

The NE Myra prospect area straddles a curvilinear, broadly east-northeast-trending structure/lineament referred to as the "NE Myra Lineament". North of the lineament, flat-lying remnants of the Mamadewere Sandstone are preserved; whereas immediately to the south, a ridge of the Kudjumarndi Quartzites and sub-cropping schists and amphibolites of the Cahill Formation and intrusive coarse-grained granites of the Tin Camp Granite are observed. The sandstones unconformably overlie the older metamorphosed rocks and have an average remnant thickness of about 220m, of which about 50m to 80m are preserved above the current ground surface. The basement rocks are metamorphosed to amphibolite facies and include meta-pelites and amphibolites. Basement rocks to the north of the NE Myra lineament are interpreted to belong to the Cahill Formation.

Best uranium assay results from reverse circulation and diamond drilling included 6.6m @ 1600 ppm U$_3$O$_8$ in drill hole TCR3243 within chloritised amphibolite from the North East Myra Fault zone and 2.5m @ 1002 ppm U$_3$O$_8$ from TCD3007. At present, the style, distribution and nature of the mineralisation is enigmatic.

Alligator consider the NE Myra prospect area to have been adequately tested on the southern side of the fault. This area is considered to have lesser prospectivity due to the gneissic basement lithologies in this area. It is considered however that there is potential on the northern side of the fault where Cahill Formation rocks are interpreted to occur. A number of untested EM anomalies exist in this area. The depth of sandstone in these areas is of the order of 200m and so NE Myra is at this stage considered a lower priority target.

9.6 **Razorback**

The Razorback prospect is located in the central part of the TCC project area. The prospect was identified by stream sediment sampling and soil sampling undertaken by Afmeco in the late 1990’s. A coherent zone of gold in soil anomalism was defined. The anomalous zone trends north-south, parallel to a ridge of Kudjumarndi Quartzite. No drilling has been undertaken; however it is considered the anomalous zone overlies the interpreted position of lower Cahill Formation equivalent lithologies. Peak soil anomalism (100ppb Au, maximum of 546ppb Au) extends over a strike length of 250m and is open to the north. No uranium anomalism was encountered however it is noted that gold is commonly associated with uranium mineralisation in the Alligator Rivers Province. Alligator intend to diamond drill the Razorback soil anomaly during the second exploration year.

10 **EXPLORATION PROPOSED BY ALLIGATOR**

Exploration in the Myra Falls Inlier by Alligator to date has included:

- acquisition of all previous radiometric surveys
- compilation and preliminary analysis of previous drill hole, lithology and assay databases. These data will be utilised to guide the locations of Alligator proposed drilling, and for the preparation of drill and geological sections and plans
- preliminary resampling and assaying for uranium of selected intervals of QML core.
Alligator proposes to undertake an exploration programme that is focused primarily on drill testing advanced exploration targets. Exploration work during the first two years will focus on the Caramal and South Horn prospects. Further geophysical surveys are also planned to assess the regional potential of the tenements.

10.1 Known Prospects

Work during the first year at Caramal will focus on confirmation of historical drill results, determining the immediate extent of known mineralisation and testing for along strike extensions of mineralisation. In addition, some drilling will be undertaken to test for an interpreted fault offset which may displace the Caramal mineralized trend and define a separate mineralized trend. It is planned to undertake a total of 4,000 metres of diamond drilling in the Caramal area. This drilling will also assist in better defining the pre-Kombolgie Formation geology. Detailed alteration and multi-element geochemical studies will also be undertaken to assist in future targeting extensions to mineralisation. Drilling will be preceded by a detailed airborne magnetic/radiometric survey. The purpose of this survey will primarily be to trace subtle magnetic features in basement lithologies to better define basement geology. Historical electromagnetic survey data (TEMPEST) will be reprocessed and reinterpreted.

All existing core for Caramal will be relogged and rephotographed and a standardised logging scheme and nomenclature developed. Re-assay of selected intervals of core will also be undertaken. If deemed appropriate and depending on results, a JORC compliant resource estimate will be undertaken.

During the second and third years, drilling will, depending on results, target the eastern extents of known mineralisation and the area to the immediate west of the Beatrice Fault and pursue mineralisation identified in year 1. A total of 4,000m of drilling is planned for the second year.

At South Horn, drilling will target untested radiometric anomalies as well as partially tested uranium mineralisation intersected by previous explorers in the southern part of the South Horn area. A detailed airborne radiometric survey will be initially undertaken over the South Horn Trend. A portion of drilling will seek to define the basement geology on the western side of the Beatrice fault to
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determine the prospectivity of this area better. An initial drilling program of 1,500m is planned for the first year and depending on results a further 2,000m during the second year.

During first year, detailed ground radiometric surveys will be undertaken along the Two Rocks trend. Data from previous EM surveys undertaken in the area will be reprocessed and re-interpreted. An initial program of 500m of diamond drilling is planned for the first year.

Drilling of 500m of core is planned to test the Razorback Gold prospect soil anomaly. Drilling is planned in Year 2.

10.2 Regional Exploration

Existing geophysical data (TEMPEST and airborne magnetics/radiometrics) will be reprocessed. Of particular interest are EM anomalies known to occur in the northern part of the Tin Camp Creek Project tenements. Ground inspection, mapping and radiometric surveys will be undertaken on the Gorrungihar and Mordjimuk prospects.

It is planned to undertake approximately 1500m of diamond drilling on regional targets during the second year. Alligator plans to actively progress EL applications to grant and will continue to acquire tenements in the region through its wholly owned subsidiary, Northern Prospector.

10.3 Budget

Future work proposed by Alligator is dominated by drilling to follow up the high-grade mineralisation already outlined at Caramal, South Horn, NE Myra and the other known prospects in the Myra Falls Inlier. The amount allocated to drilling and direct costs associated with drilling (such as mobilisation and drill site rehabilitation) represents over 40% of the total budget, which an unusually high proportion for an exploration company. Conversely, the proportion allocated to office costs is less than 22% of the overall budget, which is unusually low. Most peer companies struggle to keep office costs below 30% of total budget. This suggests that Alligator will run an efficient and very cost-effective exploration programme, as almost 75% of the budget will be expended on direct in-ground work, which is highly commendable.

<table>
<thead>
<tr>
<th>Category</th>
<th>Year 1 A$</th>
<th>Year 2 A$</th>
<th>Total A$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field camp &amp; site costs</td>
<td>250,000</td>
<td>250,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Drilling &amp; associated direct costs</td>
<td>1,433,000</td>
<td>2,038,000</td>
<td>3,471,000</td>
</tr>
<tr>
<td>Assaying</td>
<td>150,000</td>
<td>200,000</td>
<td>350,000</td>
</tr>
<tr>
<td>Geologists &amp; field assistants</td>
<td>850,000</td>
<td>850,000</td>
<td>1,700,000</td>
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<tr>
<td>Geophysics</td>
<td>195,000</td>
<td>95,000</td>
<td>290,000</td>
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<td>Indigenous liaison</td>
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<td>400,000</td>
</tr>
<tr>
<td>Corporate</td>
<td>945,000</td>
<td>945,000</td>
<td>1,890,000</td>
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<tr>
<td>Totals:</td>
<td>4,023,000</td>
<td>4,578,000</td>
<td>8,601,000</td>
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</table>

Table 9. Summary of budget proposed by Alligator

11 DATA VERIFICATION

A large volume of published data was reviewed by Vidoro. These publications are listed in the References. This independent material did not conflict with the information supplied by Alligator.

The area was visited by David Jones as part of the project review for the preparation of this report. The geology was examined in and around the Caramal, South Horn, Two Rocks and Gorrungihar deposits on the ground, and a helicopter over flight of the Myra Falls Inlier completed. The mapped geology and some drill hole collars were compared with field observations and no significant discrepancies noted.

The process of sample collection, from the point where core is removed from the core barrel at the drill site and placed into the core trays, through sealing and transport to the on-site facility at Myra Camp where the driller’s logs and core are cross-checked and the core is logged and sampled, the sampling of the core and its dispatch to the Darwin laboratory, were all observed and noted by David Jones. He also visited the Northern Territory Environmental Laboratories facility in Darwin to view the
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Sample delivery and acceptance and the chain of custody procedures in action through the sample preparation and dispatch by air freight to the Genalysis laboratory in Perth, Australia. The QA/QC procedures observed by Alligator and the laboratories were examined in detail by David Jones and observed to meet current industry standards. The laboratories have current NATA accreditation to ISO 17025.

Nine core holes were laid out completely and examined in detail. These included QML holes TCCAD-05, 07, 27, 49 and 54 at Caramal; QML holes SHRD-03 and 04 at South Horn; MRD-101 and TCD-3003 at Two Rocks. The contents of the trays were checked against the sampling and geological logs, and the assay sheets. Selected original core tray photos were compared with the present contents of the trays. There were no discrepancies detected in the 9 holes examined.

For and on behalf of Vidoro Pty Ltd

David G Jones
Effective Date: 22nd November 2010
Independent Geologist’s Report on Mineral Tenements in Arnhem Land for Alligator Energy

12 REFERENCES


Maas, R., 1989. Nd-Sr isotope constraints on the age and origin of unconformity-type uranium deposits in the Alligator Rivers uranium field, NT, Australia. Econ Geol Vol. 84 No.1, pp 64-90.


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13 GLOSSARY OF TECHNICAL TERMS

This glossary comprises a general list of common technical terms that are typically used by geologists. The list has been edited to conform in general to actual usage in the body of this report. However, the inclusion of a technical term in this glossary does not necessarily mean that it appears in the body of this report, and no imputation should be drawn. Investors should refer to more comprehensive dictionaries of geology in printed form or available in the internet for a complete glossary.

AAS Atomic absorption spectroscopy - an analytical technique whereby a sample is vaporized and its nonexcited atoms are identified and quantified by the electromagnetic radiation they absorb at characteristic wavelengths.

aeromagnetic survey Systematic measurement and collection, from an aircraft, of the earth’s magnetic field at regular intervals.

Ag The chemical symbol for silver.

alluvial deposit A mineral deposit consisting of recent surface sediments laid down by water.

alteration The change in the mineral composition of a rock, commonly due to hydrothermal activity.

alteration zone A zone in which rock-forming minerals have been chemically changed.

amphibole A silicate mineral with a crystal structure characterized by a double chain of linked silicate tetrahedra with the general formula (Ca, Na, K)2(Mg, Fe, Al, Ti)3(Si,Al)O2(OH)5.

andesite A fine-grained, dark-coloured extrusive rock.

anomaly A departure from the expected or normal background.

Archaean The eon extending from the formation of the Earth about 4500 Ma to the beginning of the earliest forms of life around 542 Ma.

arsenopyrite A mineral with the chemical composition FeAsS.

As The chemical symbol for arsenic.

Au The chemical symbol for gold.

AusIMM Australasian Institute of Mining and Metallurgy.

basalt A dark-coloured igneous rock.

base-metal A non-precious metal, usually referring to copper, lead and zinc.

basic Used to describe an igneous rock having relatively low silica content.

biotite A dark-coloured mica.

Bouma sequence A succession of characteristic sediment intervals starting at the bottom with graded bedding in fine sandstone, passing up to laminations, then current ripples, more laminae, with fine mudstone at the top.

breccia A rock composed of angular rock fragments.

bulk sample A large volume of soil or rock obtained for examination or analysis.

Ca The chemical symbol for calcium.

Cainozoic An era of geological time from the end of the Mesozoic to the present.

calcalkaline Igneous rocks containing calcium-rich feldspar.

Cambrian A period of geological time approximately from 506 Ma to 544 Ma.

Carboniferous A period of geological time approximately from 295 Ma to 355 Ma.

chalcopyrite A mineral of copper with the chemical formula CuFeS2.

chert Crypto-crystalline silica.

chlorite A generally green or black talcose layered mineral with the formula (Mg,Fe,Al)3(Si,Al)2O10(OH)2, often formed by metamorphic alteration of primary mafic minerals.

clastic A rock composed principally of fragments derived from pre-existing rocks.

comagmatic A set of igneous rocks that are regarded as being derived from a common parent magma.

complex An assemblage of rocks of various ages and origins intricately mixed together.

conglomerate A sedimentary rock formed by the cementing together of water-rounded pebbles, distinct from a breccia.

cordierite A very hard metamorphic mineral with the formula Mg2Al4Si4O12, often formed by metamorphic alteration of clay.

costean A trench excavated in the surface for the purpose of geological investigation.

Cu The chemical symbol for copper.

craton A major part of the Earth’s crust that has been stable and little deformed for a long time.
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Cretaceous A period of geological time approximately from 65 Ma to 135 Ma.
crosscut A level driven across the main direction of underground mine workings.
cut-off grade The lowest or highest assay value that is included in a resource estimate.
dacite A fine-grained extrusive rock composed mainly of plagioclase, quartz and pyroxene or hornblende or both. It is the extrusive equivalent of granodiorite.
Devonian A period of geological time approximately from 355 Ma to 410 Ma.
diagenesis The process by which sediment is changed into rock.
diamond drilling Rotary drilling technique using diamond set or impregnated bits, to cut a solid, continuous core sample of the rock. The core sample is retrieved to the surface, in a core barrel, by a wire line.
dilution The proportion of material which is inadvertently included during mining operations, and which is generally of a significantly lower grade than the ore zone of interest.
dip The angle at which any planar feature is inclined from the horizontal.
dolerite An intrusive rock consisting mostly of dark mafic minerals.
dolomite A rock containing >15% magnesium carbonate.
dyke A tabular igneous intrusion that cuts across the bedding or other planar structures in the host rock.
eluvial Material derived from decomposed exposed rocks that may have been washed, fallen, or blown by the wind for a short distance.
EM survey Electromagnetic survey. A method of measuring the alternating magnetic fields associated with electrical currents artificially or naturally maintained in the subsurface. A technique often used to identify massive sulphide deposits.
epoch The smallest, most basic unit of geological time is the Age. An epoch comprises two or more periods.
era Two or more Epochs comprise a geological Era.
euhedral A term applied to grains displaying fully-developed crystal form.
ex- A prefix meaning without.
exhalative A rock formed from the solidification of volcanic gases or vapours, often on the sea floor.
extrusive Igneous rock that has been erupted on to the surface of the earth.
Fe The chemical symbol for iron.
feldspar A group of abundant rock-forming minerals with the general formula M(Al,Si)₃O₈, where M can be Na or K.
felsic Light coloured rocks containing an abundance of feldspars and quartz.
foliation A planar arrangement of features in any type of rock.
Ga Billion years ago.
gabbro A coarse-grained intrusive igneous rock composed chiefly of plagioclase feldspar and pyroxene.
gneiss A banded rock formed during high-grade regional metamorphism.
gossan A ferruginous deposit remaining after the oxidation of the original sulphide minerals in a vein or ore zone.
graben An elongate, relatively depressed crustal unit or block that is bounded by faults on its long sides.
granitoids A general term to describe coarse-grained, felsic intrusive plutonic rocks, resembling granite.
granodiorite A coarse-grained granitic rock containing quartz, feldspar and biotite.
granular Used to describe a rock composed of grains of approximately equal size.
granulite A metamorphic rock with a granular texture.
gravity survey Systematic measurement and collection of the earth’s gravitational field at the surface at regular intervals. Used to discern different rock types based on associated variations with differences in the distribution of densities, and hence rock types.
greenschist A schistose metamorphic rock which owes its green colour and schistose to abundant chlorite and lesser epidote and/or actinolite.
greywacke A poorly sorted, fine to coarse-grained rock composed of angular to sub-angular particles that are mainly fragments of other rocks.
Hematite A mineral that is the main source of iron, with the chemical formula Fe₂O₃. The crystals form in the rhombohedral system (like a stretched and skewed cube).
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**hematitic** Containing hematite.

**idiomorphic** A grain bounded by perfect crystal faces.

**ignimbrite** The rock formed by the widespread deposition and consolidation of volcanic ash flows (=welded tuff).

**indicated resource** A mineral resource sampled by drill holes, underground openings or other sampling procedures at locations too widely spaced to ensure continuity but close enough to give a reasonable indication of continuity, and where geoscien
tific data is known with a reasonable level of reliability.

**inferred resource** A mineral resource inferred from drill holes, geoscientific evidence, underground openings or other sampling procedures where the gaps in the data are such that continuity cannot be predicted with confidence, and where geoscientific data may not be known with a reasonable level of reliability.

**intermediate** Igneous rocks whose composition is intermediate between felsic and mafic rocks.

**intracratonic** Within a large, stable mass of the earth’s crust.

**I-type granite** A granite that results from igneous magmatic processes.

**JORC** Joint Ore Reserves Committee - The Australasian Institute of Mining and Metallurgy. The guidelines of the JORC Code (1999) are observed in the calculation and reporting of ore resources and ore reserves.

**Jurassic** A period of geological time approximately from 135 Ma to 203 Ma.

**K** The chemical symbol for potassium.

**komatiite** A mantle-derived igneous rock with a high content of magnesium.

**LandSat imagery** Reflective light data of the earth’s surface collected by the LandSat satellite and commonly processed to enhance particular features. Includes the visible and invisible light spectrums.

**lithic tuff** A tuff containing fragments of previously formed non-pyroclastic rocks.

**Ma** Million years ago.

**mafic** A dark-coloured rock composed dominantly of magnesium, iron and calcium-rich rock-forming silicates, and for rocks in which these minerals are abundant.

**magma** Naturally occurring molten rock, generated within the earth.

**magnetic anomalies** Zones where the magnitude and orientation of the earth’s magnetic field differs from adjacent areas.

**magnetic survey** Systematic collection of readings of the earth’s magnetic field. The data are collected on the surface or from aircraft.

**magnetite** A magnetic ore of iron with the chemical formula Fe₃O₄. The crystals are octahedral, like two four-sided pyramids joined at the base.

**manganiferous** Containing manganese.

**mantine** The zone in the earth between the crust and the core.

**martite** A mineral that results from the oxidation of magnetite (Fe₃O₄) to haematite (Fe₂O₃) but which retains the octahedral crystal shape of magnetite.

**massive sulphides** Rock containing abundant sulphides that constitutes close to 100% of the rock mass.

**Mesoproterozoic** An era of geological time approximately from 1000 Ma to 1600 Ma.

**mesothermal** Mineral deposits formed (precipitated) at moderate temperatures.

**Mesozoic** An era of geological time approximately from 65 Ma to 248 Ma.

**meta-** A prefix denoting metamorphism of the rock so qualified.

**metamorphism** The mineral, chemical and structural adjustment of solid rocks to new physical and chemical conditions that differ from those under which the rocks originated.

**meteoric water** Water derived from the earth’s atmosphere.

**Mg** The chemical symbol for magnesium.

**mica** A common mineral composed of a three-layered silicate lattice having a perfect cleavage.

**micaceous** Containing mica.

**migmatite** A metamorphic rock with a granular texture.

**Mo** The chemical symbol for molybdenum.

**molybdenite** The main ore of molybdenum; a lead-grey hexagonal mineral with composition MoS₂.

**monzogranite** A granular plutonic rock with a composition between monzonite and granite.

**muscovite** A common mica that is essentially transparent.

**Na** The chemical symbol for sodium.

**Neoproterozoic** An era of geological time approximately from 544 Ma to 1000 Ma.

**O** The chemical symbol for oxygen.

**olivine** A silicate mineral with the general formula R₂SiO₆, where R can be Mg, Fe, Mn or Ca.

**Ordovician** An era of geological time approximately from 435 Ma to 500 Ma.
Independent Geologist’s Report on Mineral Tenements in Arnhem Land for Alligator Energy

orogen Linear, deformed belts of rocks that form mountain chains.
orogenic Originating with, or related to, an orogeny.
orygeny The process of mountain-building.
Orho- A prefix meaning straight or regular.
ortho-gneiss A gneiss presumed to have formed from an igneous rock.
oxide Pertaining to weathered or oxidized rock.
Paleoproterozoic An era of geological time approximately from 1600 Ma to 2500 Ma.
Paleozoic An era of geological time approximately from 248 Ma to 544 Ma.
pelite A sediment or sedimentary rock composed of the finest detritus (clay or mud-sized particles).
pencontemporaneous Formed at almost the same time.
percussion A method of drilling where the rock is broken into small chips by a hammering action.
peridotite An ultramafic rock consisting mostly of olivine.
Permian An era of geological time extending from 248 Ma to 295 Ma.
Period The basic unit of geological time in which a single type of rock system is formed.
Phanerozoic The eon of geological time extending from 542 Ma to the present.
phenocryst One of the relatively large and conspicuous crystals in a porphyritic rock.
phyllite A metamorphosed rock, intermediate between slate and schist. Micaceous minerals impart a sheen to the cleavage surfaces, which are commonly wrinkled.
phyllitic An adjective describing a rock that has the structure of a phyllite.
pitchblende A massive brown to black variety of uraninite.
placer A Spanish word meaning “sand bank” used to refer to sand and gravel in modern or ancient stream beds that contain precious metals.
plagioclase A sub-group of the feldspar minerals with the general formula M(Al, Si)O8, where M can be K, Na, Ca, Ba, Rb, Sr or Fe.
plunge The attitude of a line in a plane which is used to define the orientation of fold hinges, mineralised zones and other structures.
pluton A body of igneous rock presumed to be of deep-seated origin.
podsol A group of zonal soils having a very thin organic-mineral layer overlying a gray, leached horizon and a dark brown, horizon enriched in iron oxide, alumina, and organic matter developed under coniferous or mixed forests.
polkioelastic A granitic texture in which large crystals contain smaller crystals of other minerals.
porphyritic Descriptive of igneous rocks containing relatively large crystals set in a finer-grained groundmass.
porphyroblast A large, more or less euhedral crystal, that has grown during the process of metamorphism.
pbp, ppm Parts per billion, parts per million (quantitative equivalent of g/t).
Precambrian Geological time extending from 542 Ma to 4500 Ma.
Proterozoic An eon of geological time approximately from 542 Ma to 2500 Ma.
pyrite A common iron sulphide mineral with the chemical formula FeS2.
pyrrhotite A common iron sulphide mineral with the chemical formula Fe1-xS where x varies from zero to 0.2.
quartz A common silica mineral with the chemical formula SiO2.
RAB drilling Rotary Air Blast drilling - a method of rotary drilling in which sample is returned, using compressed air, to the surface in the annulus between drill-rod and the drill-hole. This is a relatively inexpensive but less accurate drilling technique than RC or diamond coring.
radiometric survey Systematic collection of radioactivity emitted by rocks at or near the earth’s surface; usually collected by helicopter or fixed wing aircraft.
RC drilling Reverse Circulation drilling - a method of rotary drilling in which the sample is returned to the surface, using compressed air, inside the inner-tube of the drill-rod. A more accurate drilling technique than simple percussion drilling, the RC technique minimizes contamination.
refractory Descriptive of ore difficult to treat for recovery of valuable minerals.
rhyolite A volcanic rock composed chiefly of potassium feldspar and quartz.
rift basin A large fault-bound depression, in-filled with volcanic and/or sedimentary material.
RL Relative Level – usually used in relation to height above sea level or some other datum.
S The chemical symbol for sulphur.
schist Strongly foliated crystalline metamorphic rock. Elongate minerals tend to be aligned in parallel.
schistose A rock that has the structure of a schist.
sclintillometer An instrument that measures ionising radiation by counting the flashes of light sericite A white, fine-grained mica, usually formed as an alteration product of various silicates in metamorphic rocks and the wall rocks of ore deposits.
Independent Geologist’s Report on Mineral Tenements in Arnhem Land for Alligator Energy

shear zone A zone in which rocks have been deformed primarily in a ductile manner in response to applied stress.
sheetwash A widely distributed, thin blanket of sediment deposited in a broad, poorly defined drainage.
SHRIMP “Sensitive High-Resolution Ion Microprobe”, a very accurate method of determining the ages of rocks.
Si The chemical symbol for silicon.
silicified The alteration or replacement of primary minerals by silica.
Silurian An era of geological time approximately from 410 Ma to 435 Ma.
skarn A thermally metamorphosed impure limestone.
slate Metamorphosed shale that can be split into slabs and thin plates.
soil sampling The collection of soil specimens for mineral analysis.
stockwork A network of (usually) quartz veinlets produced during pervasive brittle fracture.
Specific gravity (SG) The weight of an object in air compared to the weight of an equal volume of water.
stratabound Occurring within and parallel to the rock strata, but not necessarily deposited at the same time.
stratiform Occurring within and parallel to the rock strata, and deposited at the same time.
stratigraphic column A depiction of the layers of rocks in the sequence in which they were formed.
stream sampling The collection of stream sediments for mineral analysis.
strike The direction or bearing of a geological structure on a level surface, perpendicular to the direction of dip.
stringer A small, thin discontinuous or irregular veinlet.
subduction The process where one slab of the Earth’s crust descends beneath another.
syncline A basin-shaped fold.
syntectonic Occurring or forming at the same time as deformation and metamorphism.
t, tpa Metric tonne, tonnes per annum.
tectonics The processes that create the broad architecture of the surface of the earth.
tectonism A general term for all movement of the crust produced by tectonic processes.
Tertiary Applied to the first period of the Cainozoic era, 1.8Ma to 65Ma.
tholeiitic A term applied to mafic or ultramafic rocks composed predominantly of magnesium-rich feldspar and pyroxene minerals.
tonalite A diorite containing >20% quartz.
tourmaline A complex silicate mineral containing aluminium and boron with varying quantities of many other elements.
trench A long, narrow depression in the sea floor.
tuf General term for all consolidated volcanic rocks derived from volcanic explosions into the air.
turbidite A sediment resulting from an underwater landslide.
ultramafic Igneous rocks consisting essentially of ferro-magnesium minerals with trace quartz and feldspar.
vesicular Term for an igneous rock containing small cavities, caused by small bubbles being trapped during the solidification of the rock.
volcaniclastic A sedimentary clastic rock containing volcanic material.
vulcanogenic Of volcanic origin.
Overview of Regulatory Environment

The following represents an overview of some of the legislative, environmental and commercial framework conducting a uranium exploration business in Australia.

14.1 Introduction

As a company with exploration operations in the Northern Territory, New South Wales and Queensland, Alligator is required to comply with Northern Territory, New South Wales, Queensland and Australian law applicable to its operations.

This section does not deal extensively with all of the laws Alligator is required to comply with. Instead, it limits its focus to those areas most relevant to the development of the Alligator’s principal assets, the Tin Camp Creek Tenements.

14.2 Mining legislation

Alligator is required to comply with the provisions of the Mining Act (NT) (Mining Act) and the Mine Management Act (NT) (Management Act) in undertaking its operations in the Northern Territory. The Mining Act provides a framework for mining and exploration companies to obtain and renew tenements and to conduct activities to explore for and mine mineral resources. The Management Act governs the authorisation of certain mining activities and the management of mining sites to ensure compliance with environmental standards.

Generally, the process for granting mineral leases in the Northern Territory involves:

(a) the making of a formal application;
(b) notification of affected land owners and occupiers (including native title holders and claimants);
(c) the holding of a hearing by the mining warden to hear objections to the application;
(d) the making of a recommendation by the mining warden as to whether the Northern Territory Minister responsible for administering the Mining Act should grant the mineral lease; and
(e) the making of a decision by the Minister.

While mining titles for uranium are still granted and regulated under the Mining Act and the Mining Management Act, the Northern Territory Minister must:

(a) consult with the Federal Resources Minister before granting mining titles for uranium under the Mining Act or exercising powers under the Mining Act or Part 4 of the Management Act in relation to uranium; and
(b) act in accordance with any advice the Federal Resources Minister provides.

In this way, the Federal Government is able to control the regulation of uranium mining in the Northern Territory.

Royalties on uranium produced from the Tin Camp Creek Tenements will be payable to the Commonwealth Government under the Uranium Royalty (Northern Territory) Act 2009 (Cth).

The Mining Act will be replaced by the Mineral Titles Act 2010 (NT) some time in 2011.

14.3 Environmental legislation

Where the mining of uranium will have, or is likely to have, a significant impact on the environment, Commonwealth Government approval must be obtained under the Environment Protection and Biodiversity Conservation Act 1999 (Cth) before it can proceed. Any commercial scale uranium mine would require Commonwealth approval.

Where approval is required, the Federal Environment Minister will decide on a method to assess the environmental impact of the mining activity and following the assessment will make a decision as to whether to approve the mine. If approval is granted this will usually be subject to a detailed set of conditions.

To the extent the Tin Camp Creek Tenements are within the Alligator Rivers Region (ARR) of the Northern Territory, the Environment Protection (Alligator Rivers Region) Act 1978 (Cth) (ARR Act) will also apply in relation to them. The ARR Act established the position of the Supervising Scientist and three ancillary bodies (advisory committee, technical committee and research institute) for the ARR. The Supervising Scientist has a range of responsibilities in connection with environmental monitoring and protection, which include:

(a) devising, developing and coordinating the implementation of programs for research into the environmental effects of uranium mining in the ARR, as well as assessing these programs;
(b) devising, developing and promoting standards and practices in relation to uranium mining operations and rehabilitation in the ARR; and
(c) coordinating and supervising the implementation of legal requirements (including under exploration licences and mineral leases) associated with environmental aspects of uranium mining in the ARR.

14.4 Native title and Aboriginal land

As the land over which the Tin Camp Creek Tenements have been granted is Aboriginal Land for the purposes of the Aboriginal Land Rights (Northern Territory) Act 1976 (Cth) (Land Rights Act), compliance with the future acts processes under the Native Title Act 1993 (Cth) (NTA) is not required for the grant of mineral leases over their area. This means the right to negotiate process under the NTA does not apply and that compliance with the Land Rights Act is required instead.
In order to be granted a mineral lease (or leases) over the area of the Tin Camp Creek Tenements, TCC Project would have to:

(a) obtain the written consent of the Federal Minister administering the Land Rights Act; and

(b) enter into an agreement with the NLC governing the terms and conditions to which the grant of the mineral lease will be subject (Mining Agreement).

If TCC Project and the NLC are unable to agree the terms of a Mining Agreement, either would be at liberty to request the Minister to refer the matters in dispute between them to conciliation and, failing that, arbitration by a Mining Commissioner.

If the parties were unable to agree the terms of the Mining Agreement through conciliation, the Mining Commissioner would be required to determine them on the basis of what, in his opinion, should have been negotiated by the parties in commercial arms’ length negotiations conducted in good faith. If TCC Project then agreed to the terms determined by the Mining Commissioner, the NLC would be obliged to enter into a Mining Agreement with TCC Project on those terms. If the NLC were to refuse to do so, the Minister would be able to enter into the Mining Agreement on behalf of the NLC to enable the grant of the mineral lease to proceed.

TCC Project and the NLC are parties to existing agreements concerning the Tin Camp Creek Tenements which set out extensive Mining Principles that are to form the basis for negotiation of future Mining Agreements. These agreements are discussed further in the material contracts section (section 15.21) of this prospectus.

14.5 Uranium production and export

Overview

The Commonwealth Government’s policy regarding mining and processing of uranium is to allow uranium to be mined in Australia. However there are restrictions on the export of uranium from Australia. The Commonwealth Government’s nuclear safeguards policy has been developed to implement Australia’s obligations under the Nuclear Non-Proliferation Treaty of 1970 (NNPT) which was ratified by Australia in 1973.

Parties to the NNPT agree to accept technical safeguards applied by the International Atomic Energy Agency (IAEA). This safeguard system tracks uranium within the nuclear fuel cycle from production, through to use and storage and ultimately disposal, to ensure that Australian uranium is sold strictly for electric power generation and cannot benefit the development of nuclear weapons or other military programs. The Commonwealth Government only allows the sale of Australian uranium to countries which are signatories to the NNPT and have a bilateral nuclear safeguards agreement with Australia.

Specific approvals

Approvals that will or may be required by Alligator in connection with the operation of any future uranium mine in the Northern Territory include:

(a) for possession of uranium, a permit to possess nuclear material under the Nuclear Non-Proliferation (Safeguards) Act 1987 (Cth) (NNPS Act);

(b) for storage of uranium, approval of a new storage location from the Australian Safeguards and Non-Proliferation Office (ASNO), and a licence to store radioactive material from the Northern Territory Chief Inspector under the Radioactive Ores and Concentrates (Packaging and Transport) Act 1980 (NT);

(c) for transporting uranium, a permit to transport nuclear material under the NNP Act; and

(d) for export, permission from the Federal Resources Minister to export uranium pursuant to the Customs (Prohibited Exports) Regulations 1958 (Cth).

Export

In summary, the Federal Government’s uranium export policy is that:

(a) Australia’s uranium may only be exported for peaceful nonexplosive purposes under Australia’s network of bilateral safeguards agreements, which provide for:

(i) coverage of uranium exports by IAEA safeguards from the time they leave Australian ownership;

(ii) continuation of coverage by IAEA safeguards for the full life of the material or until it is legitimately removed from safeguards;

(iii) fallback safeguards in the event that IAEA safeguards are no longer applicable for any reason;

(iv) prior Australian consent for any transfer of Australian Obligated Nuclear Material (AONM) (Australian-sourced uranium) to a third party, for any enrichment beyond 20% of uranium-235 and for reprocessing of AONM; and

(v) physical security requirements.

(b) Australia retains the right to be selective as to the countries with which it is prepared to conclude safeguards arrangements;

(c) non-nuclear weapon state customer countries must, at a minimum, be a party to the NNPT and have concluded a fullscope safeguards agreement with the IAEA;

(d) nuclear weapon state customer countries must provide an assurance that AONM will not be diverted to non-peaceful or explosive uses and accept coverage of AONM by IAEA safeguards;

(e) commercial contracts for the export of AONM should include a clause noting that the contract is subject to the relevant bilateral safeguards arrangement; and

(f) the Federal Government announced in 2005 a further tightening of Australia’s export policy by making an additional protocol with the IAEA (providing for strengthened safeguards) a pre-condition for the supply of AONM to non-nuclear weapon states.

Every individual shipment of uranium leaving Australia must have prior approval from DRET, ASNO and Customs before it can leave the country and a tracking system is in place for every stage of the process.

For personal use only

15.1 Registration

Alligator was incorporated on 17 November 2009 as a public company limited by shares.

15.2 Share Capital

As at the date of this Prospectus, the number of fully paid shares is 80,335,000.

15.3 Rights attaching to Shares

The rights and liabilities attaching to ownership of Shares arise from a combination of the Constitution, the Corporations Act, the Listing Rules and the general law.

The following table is a summary of the significant rights attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

A copy of the current Constitution may be inspected during normal business hours at the registered office of the Company.

<table>
<thead>
<tr>
<th>ISSUE</th>
<th>CURRENT CONSTITUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voting</td>
<td>Subject to any restriction on voting imposed by the ASX Listing Rules or any escrow agreement entered into between the Company and a Shareholder, every Shareholder present in person or by proxy, attorney or representative at a meeting of Shareholders has 1 vote on a show of hands and 1 vote on a poll for every Share held. A poll may be demanded by the chairperson of the meeting, by not less than two Shareholders entitled to vote on the resolution, or a Shareholder or Shareholders who together hold at least 5% of the votes that may be cast on the resolution on a poll.</td>
</tr>
<tr>
<td>General meetings</td>
<td>Each Shareholder is entitled to receive at least 28 days notice of and to attend general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the ASX Listing Rules.</td>
</tr>
<tr>
<td>Dividends</td>
<td>Subject to the Corporations Act, the Directors may declare dividends from profits and authorise the payment of dividends. Interest is not payable on Dividends.</td>
</tr>
<tr>
<td>Transfer of Shares</td>
<td>Subject to any restriction on transfer imposed by the ASX Listing Rules, Corporations Act, other legislation or any escrow agreement entered into between the Company and a third party, a Shareholder may transfer Shares in accordance with a proper ASTC transfer or by an instrument in writing in any usual form or in any other form approved by the Directors. The Directors may refuse to register a transfer of Shares where the transfer is not in registrable form or the refusal to register the transfer is permitted under the ASX Listing Rules (including where registration may break an Australian Law).</td>
</tr>
<tr>
<td>Issue of Shares</td>
<td>The Directors may (subject to the restrictions on the issue of Shares imposed by the Constitution, the ASX Listing Rules and the Corporations Act) issue further Shares, or grant options, as the Directors see fit.</td>
</tr>
<tr>
<td>Winding up</td>
<td>Subject to any special or preferential rights attaching to any class or classes of Shares, on a winding up of the Company a liquidator may, with the authority of a special resolution of the Shareholders, divide among the Shareholders in kind the whole or any part of the property of the Company in proportion to the Shares held by them respectively. The liquidator may, for this purpose, determine how the division is to be carried out as between the Shareholders. If any of the property includes Shares with a liability to calls, any person entitled to the Shares may (by writing) direct the liquidator to sell the person’s proportion of the Shares and to account for the net proceeds.</td>
</tr>
<tr>
<td>Shareholder liability</td>
<td>Subject to the Constitution, and to the terms upon which any Shares may be issued, the Directors may make calls upon Shareholders in respect of any money unpaid on their Shares. If the sum called for is not paid in full by the day appointed for payment, interest or costs may accrue or the Shares made liable to forfeiture.</td>
</tr>
<tr>
<td>Alteration to the Constitution</td>
<td>The Constitution can only be amended by a special resolution passed by at least three-quarters of the Shareholders present and voting at a general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.</td>
</tr>
<tr>
<td>ASX Listing Rules</td>
<td>On admission to the Official List, notwithstanding anything in the Constitution, if the ASX Listing Rules prohibit an act being done, the act must not be done. If the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done, and if a provision is required in the Constitution by the ASX Listing Rules the Constitution will be treated as containing that provision. If any provision of the Constitution becomes inconsistent with the ASX Listing Rules, the Constitution will be treated as not containing that provision to the extent of the inconsistency.</td>
</tr>
</tbody>
</table>
15.4 Terms and Conditions of Existing Options

<table>
<thead>
<tr>
<th>NUMBER</th>
<th>EXPIRY DATE</th>
<th>EXERCISE PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,000,000</td>
<td>7 May 2013</td>
<td>$0.20</td>
</tr>
<tr>
<td>1,000,000</td>
<td>31 Aug 2012</td>
<td>$0.35</td>
</tr>
<tr>
<td>1,000,000</td>
<td>30 Jun 2013</td>
<td>$0.45</td>
</tr>
<tr>
<td>6,250,000</td>
<td>22 Nov 2015</td>
<td>$0.20</td>
</tr>
</tbody>
</table>

On exercise, each Option is converted into one Share.

15.5 Taxation

The Australian taxation consequences of any investment in Shares will depend upon the investor’s particular circumstances. It is the responsibility of potential investors to make their own enquiries concerning the taxation consequences of an investment in the Company. If you are in doubt as to these tax consequences of investing in the Company, you should consult your stockbroker, lawyer, accountant or other professional adviser.

15.6 Legal matters

(a) Material proceedings

To the knowledge of the Directors, the Company is not currently involved in any material litigation.

There is a dispute with a former director of the Company as to the amount of termination benefit to be paid to the director on his resignation, and as to the validity of certain Options issued to him. The Directors estimate the potential quantum of the dispute to be approximately $62,000 plus any incidental costs involved in effecting any settlement.

The Directors are not aware of any other circumstances that might reasonably be expected to give rise to such litigation.

(b) Governing law

This Prospectus, and the contracts that arise from the acceptance of Applicants under this Prospectus, are governed by the law of Queensland and each Applicant submits to the exclusive jurisdiction of the courts of Queensland and of the Commonwealth of Australia.

15.7 Current Directors’ interests

At the date of this Prospectus, the interest held by each of the current Directors (including companies and trusts associated with the Directors) in the Company is as follows:

<table>
<thead>
<tr>
<th>DIRECTOR</th>
<th>ORDINARY SHARES</th>
<th>OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denis Gately</td>
<td>–</td>
<td>1,750,000</td>
</tr>
<tr>
<td>Robert Sowerby</td>
<td>7,000,000</td>
<td>–</td>
</tr>
<tr>
<td>Paul Dickson</td>
<td>1,450,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Andrew Vigar</td>
<td>100,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Leigh Curyer</td>
<td>–</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Gregory Duncan</td>
<td>4,650,000</td>
<td>–</td>
</tr>
<tr>
<td>(Alternate)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

15.8 Applications pursuant to Prospectus

Nothing in this Prospectus will be taken to preclude Directors, officers, employees or advisers of the Company from applying for Shares on the same terms and conditions as offered to investors under this Prospectus.

15.9 Directors’ remuneration

The Constitution provides that the Directors’ remuneration must not exceed the maximum aggregate sum determined by the Company in general meeting. At present that sum is fixed at a maximum of $250,000 in aggregate per annum. This maximum sum cannot be increased without Shareholder approval by ordinary resolution at a general meeting. The aggregate maximum sum may be apportioned among the Directors in such manner as agreed between the Directors.

At present, the Chairman receives an annual fee of $58,860 and the non-executive Directors an annual fee of $45,780. It is expected that fees of this nature will continue to be paid to the Directors in the future.

Directors may also be paid additional sums as reimbursement for travel related and other expenses that they properly incur in attending
Directors’ meetings, attending any general meetings of the Company or generally in connection with the Company’s business or for extra services or special exertions in going or residing abroad or otherwise for the Company.

15.10 Deeds of access and indemnity

The Company has executed deeds of access, insurance and indemnity in favour of each Director. The indemnity will be subject to the restrictions prescribed in the Corporations Act. The deeds also give each Director a right of access to Board papers and require the Company to maintain insurance cover for the Directors.

15.11 Other interests of Directors

Paul Dickson is a principal of DDM Capital Pty Ltd. See section 15.12 for details of fees payable to DDM Capital Pty Ltd.

Pacific Consulting Services Pty Ltd, a company associated with Greg Duncan, has been paid or is entitled to receive consideration described below for providing the services of Greg Duncan in relation to the day-to-day management of the development of the Tin Camp Creek Project and other exploration services at commercial rates to Alligator:

(a) a consultancy fee of $220,000 per annum plus GST payable by the Company in equal monthly instalments;

(b) if Mr Duncan performs services of more than 13 days per month during the term, subject to the accrual of days provided for in the agreement, he will be entitled to be paid a daily rate of $1,600 for services rendered in excess of 13 days;

(c) the issue of 2,500,000 Shares immediately after the execution of the agreement;

(d) 1,000,000 Options for Shares exercisable upon the Shares reaching a premium of 5 cents of the price at which the Company listed on the ASX with an expiry date of 2 years from the commencement of the agreement; and

(e) 1,000,000 Options for Shares exercisable upon the Shares reaching a premium of 20 cents of the price at which the Company listed on the ASX with an expiry date of 3 years from the commencement of the agreement.

The term of the agreement is 24 months. The Options have not been issued, and will not be issued without Shareholder approval.

Minearth Pty Ltd, a company associated with Robert Sowerby, has been paid or is entitled to receive consideration for providing the services of Robert Sowerby in relation to the day-to-day management of the development of the Tin Camp Creek Project to Alligator. The term of the agreement is 24 months. The Options have not been issued, and will not be issued without Shareholder approval.

Other than as set out in Sections 15.7 and 15.12, or elsewhere in this Prospectus, no Director has, or had within 2 years before lodgement of this Prospectus with the ASIC, any interest in:

(a) the promotion or formation of the Company;

(b) property acquired or proposed to be acquired in connection with the formation or promotion of the Company or the Offer of Shares under this Prospectus; or

(c) the Offer of Shares under this Prospectus.

Except as set out in this Prospectus, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director:

(a) to induce him to become, or to qualify him or her as, a Director; or

(b) for services rendered by him in connection with the formation or promotion of the Company or the Offer of Shares under this Prospectus.

15.12 Interests of advisers and other named persons

Except as set out in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus or as a promoter or underwriter of the Company:

(a) has any interest, or has had any interest during the last 2 years, in the formation or promotion of the Company, or in property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer, or in the Offer; and

(b) has been paid, or agreed to be paid, any amount, and no benefit has been given, or agreed to be given, to any such person in connection with the services provided by the person in connection with the formation or promotion of the Company or the Offer.

Taylor Collison has been engaged to act as lead broker for the Offer. Taylor Collison is entitled to receive a capital raising fee of 5% of the funds raised, and a management fee of 1% of the amount raised under the Offer, and will also be issued 2 million options to acquire Shares, with a term of three years and an exercise price of 20 cents. Taylor Collison is also entitled to be reimbursed for out of pocket expenses. Expenses in excess of $2,000 (excluding legal fees) must be approved by the Company in advance.

DDM Capital Pty Ltd has been engaged as Corporate Advisor and will be paid a fee of 5% of the amount they raise under the Offer. Fees payable to DDM Capital Pty Ltd will be paid by Taylor Collison, out of fees paid to Taylor Collison. Paul Dickson, a Director, is a principal of DDM Capital Pty Ltd.

Lawler Hacketts Chartered Accountants conducted an audit of Alligator for the year ended 30 June 2010 and has provided accountancy and other services to Alligator in the period prior to the date of lodgement of the Prospectus for registration. Alligator has agreed to pay the fees of investigating accountant/auditor for this work on the basis of its usual charge out rates. These fees are expected to total: $10,000.

Lawler Hacketts Corporate Advisory Pty Ltd ABN 32 093 676 058 (Lawler Hacketts) has prepared the Investigating Accountants’ Report (IAR) included in the Prospectus and performed work in relation to due diligence enquiries concerning the historical financial information included in the Prospectus. Alligator has agreed to pay the fees of Lawler Hacketts for this work on the basis of its usual charge out rates. These fees are expected to total: $15,000.

Vidorro Pty Ltd ABN 28 094 217 482 (Vidorro) has prepared the Independent Geologist’s Report (IGR) included in the Prospectus and performed work in relation to due diligence enquiries concerning the tenements held by Alligator. Alligator has agreed to pay the fees of Vidorro for this work on the basis of its usual charge out rates. These fees are expected to total: $15,000.

For personal Use only
Minter Ellison has acted as lawyers to Alligator in relation to the Issue, for which they will be paid approximately $100,000.

15.13 No other promoters

No person, except the Directors, and persons referred to in Section 15.12, has any interest in the promotion or formation of the Company.

15.14 Directors’ Consents

Each Director has given, and not withdrawn as at the date of this Prospectus, his consent to the lodgement of this Prospectus.

15.15 Consents to the inclusion of information

The following persons have given and have not, before the issue of this Prospectus, withdrawn their written consent to the issue of this Prospectus with the inclusion of the following information in the form and context in which it is included:

(a) Taylor Collison - to be named as lead broker in connection with the Offer in the form and context in which it is named;
(b) DDM Capital Pty Ltd - to be named as Corporate Advisor in connection with the Offer in the form and context in which it is named;
(c) Lawler Hacketts - to be named as the investigating accountant in connection with the Offer and to the inclusion of the IAR in the form and context in which it appears;
(d) Vidoro - to be named as the independent geologist in connection with the Offer and to the inclusion of the IGR in the form and context in which it appears;
(e) Security Transfer Registrars Pty Ltd ABN 95 008 894 488 to be named as the Share Registry in connection with the Offer; and
(f) Minter Ellison - to be named as the solicitors in connection with the Offer and to the inclusion of the Tenement Report in the form and context in which it appears.

15.16 Responsibility statements

Each person named in section 15.15:

(a) has not authorised or caused the issue of this Prospectus;
(b) does not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by it, other than a statement or a report included in this Prospectus with the consent of the party; and
(c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and any statement or report which has been included in this Prospectus with the consent of that party.

15.17 Costs of the Issue

incurred, registration fees, fees for other advisors, prospectus design, printing and other miscellaneous expenses, based on the Maximum Subscription, will be approximately $1,040,000.

15.18 ASX admission and quotation

The Company will apply to the ASX for admission to the Official List and quotation of the Shares on the ASX within 7 days of the date of this Prospectus.

15.19 Documents available for inspection

Copies of the following documents are available for inspection during normal office hours free of charge at the registered office of the Company for a period of not less than 12 months from the date of this Prospectus:

(a) Directors’ consents for the lodgement of this Prospectus;
(b) the Constitution; and
(c) the consents referred to in Section 15.15.

15.20 Corporate governance

The Directors intend that before the end of the reporting period ending 30 June 2011 appropriate corporate governance policies and practices as provided in Guidance Note 9 to the Listing Rules will be adopted by Alligator.

15.21 Summary of material contracts

The Directors consider that there are certain contracts which are significant or material to Alligator or of such a nature that an investor may wish to have particulars of them when making an assessment of whether to apply for shares. The main provisions of such contracts are summarised below. These summaries do not purport to be complete and are qualified in their entirety by reference to the text of the contracts themselves.

Sale Agreement for the Tin Camp Creek Tenements

Alligator, through its wholly owned subsidiary TCC Project, acquired its interests in the Tin Camp Creek Tenements from Cameco under a Sale Agreement dated 8 September 2010.

Material provisions of the agreement are as follows.

(a) Buy Back Right – The Sale Agreement provides Cameco with a right to acquire 51% of TCC Project’s interest in any defined resource, to be the subject of a separate mining interest granted out of the Tin Camp Creek Tenements for a price to be determined by an agreed formula at the relevant time.

The key features of the Buy Back right are as follows:

(i) TCC Project must give Cameco notice if, prior to 14 October 2018, TCC Project delineates a JORC Code compliant inferred resource containing above 20,000 tons of U3O8 or identifies a high grade deposit containing not less than 1% U3O8 resulting in not less than 5,000 tons of U3O8;

(ii) within two months of receiving notice, Cameco may elect that an evaluation of the identified resource be undertaken over the following two years (REP);
Under the agreements, TCC Project is obliged to make the following payments to the NLC:

(a) for administration, $3,000 per annum (indexed by CPI);

(b) for deprivation of land, an annual payment of the greater of $500 (indexed by CPI) and $10 multiplied by the number of blocks within the area of the Tin Camp Creek Tenements;

(c) amounts to offset contributions to exploration expenditure made by WAC under the WAC JVA; and

(d) for land use, an annual payment of 5% of total exploration costs less certain payments made to the NLC (capped at $1.5 million).

If a mine is to be developed, TCC Project and the NLC will need to be a party to a Mining Agreement pursuant to the Land Rights Act. The negotiation of such Mining Agreements is contemplated by the Exploration Agreements, which require that any Mining Agreement incorporate as a minimum particular Mining Principles set out in the Exploration Agreements. Under these Mining Principles, the NLC would be entitled to:

(a) lump sum payments equal to 1% of the first $100 million of project capital costs and 0.5% of project capital costs exceeding $100 million for each mining operation;

(b) annual lump sum payments of $100 (indexed by CPI) for each hectare (or part thereof) subject to the relevant mining interest;

(c) a 1% royalty on the value of minerals produced from the mining interest;

(d) 4% of the net profits (proceeds of production less chargeable expenditures) from the mining operations; and

(e) an annual administrative payment of $100,000 (indexed by CPI) starting on the commencement of mine construction.

Under the Exploration Agreements, TCC Project is also obliged to comply with requirements concerning Aboriginal employment, training and business opportunities during both the exploration and mining phases.

WAC JVA – SELs 24921 and 24922

SEls 24921 and 24922 are jointly held by TCC Project (98%) and WAC (2%) and the parties interests in the SELs are regulated under a joint venture agreement (WAC JVA).

The WAC JVA was entered into in 1995 by WAC and QMPL (then the applicant for predecessor tenements to the SELs) and it has been assigned over time with the predecessor tenements and the SELs. The WAC JVA was originally entered into, along with a now superseded Exploration Deed, to facilitate the grant of the predecessor tenements.

Under the Exploration Agreements, TCC Project has become a party to two Exploration Agreements with the NLC in relation to the Tin Camp Creek Tenements. These agreements were assigned to TCC Project by Cameco in connection with the transfer of the Tin Camp Creek Tenements. One agreement applies to SELs 24921 and 24922, while the other applies to EL 25002. The agreements are in substantially the same terms, save that WAC is also party to the Exploration Agreements for the SELs (as WAC has a 2% interest in the SELs).

The agreements were entered into to obtain the consent of the NLC to the grant of the Tin Camp Creek Tenements as required under the Land Rights Act. The agreements regulate the manner in which exploration is carried out and require TCC Project to make payments to the NLC in connection with exploration and mining.

Under the agreements, TCC Project is obliged to make the following payments to the NLC:

(iii) during the REP:

(A) drilling will continue to be managed by TCC Project and will be expeditied;

(B) the costs of drilling and resource calculation will be paid 49% by TCC Project and 51% by Cameco (Drilling Costs);

(C) Cameco will have the opportunity to undertake other studies it requires at its own cost (Cameco Activities); and

(D) Cameco may withdraw from funding the evaluation of the identified resource at any time;

(iv) if at the end of the REP Cameco has not withdrawn its funding, it will have the option of acquiring 51% TCC Project’s interest in any mining interest applied for in respect of the defined resource. This interest will be priced using the following formula:

10% x U₃O₈ spot price (UxC BAP (US$/lb)) averaged over the period of the REP (subject to $40 floor/$80 cap) x lbs of JORC Compliant Resource (Inferred; Indicated; Measured) at end of REP x 51%

(v) if Cameco exercises its option, TCC Project and Cameco will negotiate a joint venture agreement to develop the defined resource. The agreement will include rights to offtake in accordance with the parties’ respective interests in the joint venture and an obligation to use reasonable endeavours to commercially develop the defined resource in the most expeditious manner;

(vi) if Cameco does not exercise the option or withdraws from funding the evaluation of the resource before the end of the REP:

(A) Cameco will have no further interest in the defined resource;

(B) TCC Project will be free to develop the resource alone; and

(C) TCC Project will be required to reimburse Cameco for 80% of the cost of Cameco Activities (capped at $400,000) and 80% of Cameco’s contribution to Drilling Costs.

(b) Expenditure Obligations – The Sale Agreement requires TCC Project to spend $800,000 on exploration of the Tin Camp Creek Tenements by 30 September 2011 and a further $2.5 million by 30 September 2012.

Exploration Agreements with the NLC

TCC Project has become a party to two Exploration Agreements with the NLC in relation to the Tin Camp Creek Tenements. These agreements were assigned to TCC Project by Cameco in connection with the transfer of the Tin Camp Creek Tenements. One agreement applies to SELs 24921 and 24922, while the other applies to El 25002. The agreements are in substantially the same terms, save that WAC is also party to the Exploration Agreements for the SELs (as WAC has a 2% interest in the SELs).

The agreements were entered into to obtain the consent of the NLC to the grant of the Tin Camp Creek Tenements as required under the Land Rights Act. The agreements regulate the manner in which exploration is carried out and require TCC Project to make payments to the NLC in connection with exploration and mining.

Under the agreements, TCC Project is obliged to make the following payments to the NLC:

(a) for administration, $3,000 per annum (indexed by CPI);
(d) **Decision making** - TCC Project (as holder of greater than 55% of the joint venture interests) is able to control almost all decisions of the joint venture. This includes the decision to mine, subject to a requirement that it be supported by a feasibility study consistent with achievement of a commercial return;

(e) **Operation** – TCC Project is the operator of the joint venture; and

(f) **Development JVA** – the agreement contemplates the parties entering into a new development joint venture agreement for the development and production phases. If the parties cannot agree as to the terms of this agreement, TCC Project will (as the party controlling the management committee) have the ability to set its terms, provided they are not unreasonably disadvantageous to WAC.

**Royalty Agreements**

As part of the acquisition of its interests in the Tin Camp Creek Tenements, TCC Project assumed a liability previously held by Cameco to pay a 1% royalty on all production from the area of the Tin Camp Creek Tenements (excluding the area of former EL 23461) to the successors of the original holder of a prospecting authority which covered an area now in part covered by the Tin Camp Creek Tenements.

The royalty is payable on:

(a) the gross proceeds of the sale of U₃O₈ and all other refined saleable substances (FOB Australian Port); and

(b) the market value of all other substances.

The royalty was originally granted by QMPL and has been assigned over time with the predecessor tenements to the Tin Camp Creek Tenements and the Tin Camp Creek Tenements themselves.

Despite WAC holding a 2% interest in SELs 24921 and 24922, TCC Project is required to pay the entire royalty in respect of the SELs. This is because QMPL failed to transfer the obligation to pay 2% of the royalty in respect of the SELs to WAC when it entered into the WAC JVA in 1995. This was an oversight on QMPL's part and accordingly QMPL's parent company, Pioneer International Limited (now Hanson Australia Pty Limited) (Hanson), agreed to indemnify QMPL's successors for 2% of the royalty (i.e. 2% of the 1% royalty) when it sold its interests in the tenements. Cameco and TCC Project have entered into a deed to assign the benefit of this indemnity to TCC Project. Accordingly, TCC Project may be able to recover 2% of the royalty payable in respect of the SELs from Hanson.

**Uranium Opportunities – Right of First Refusal**

Alligator’s wholly owned subsidiary Northern Prospector entered into a deed with the former shareholders of Northern Prospector, Greg Duncan and Rob Sowerby, prior to the time Alligator acquired all of the shares in Northern Prospector. Under that deed, the former shareholders agreed to diligently seek new opportunities in uranium exploration and to offer the first right to participate in those opportunities to Northern Prospector. This obligation does not apply where Mr Duncan or Mr Sowerby would be in conflict with obligations of confidentiality or exclusivity owed by them to other companies and the deed will terminate if either Mr Duncan or Mr Sowerby ceases to be a director of Northern Prospector.
16.1 Directors’ responsibility and consent

The Directors of Alligator state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in this Prospectus by persons other than the Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statements were competent to make such statements, those persons having given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with ASIC, or to the Directors’ knowledge, before any issue of the Shares pursuant to this Prospectus.

This Prospectus is prepared on the basis that certain matters may be reasonably expected to be known to likely investors or their professional advisers.

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.
Defined Terms

The following definitions apply throughout this document unless the context requires otherwise.

For dollars or cents means Australia dollars or cents.

ABARE means Australian Bureau of Agricultural and Resource Economics.

Advisory Panel means the panel of persons with particular areas of knowledge, expertise and experience, appointed to advise the Board and Management.

Afmeco means Afmeco Mining and Exploration Pty Ltd ACN 009 758 481.

Alligator or the Company means Alligator Energy Ltd ACN 140 575 604.

Applicant(s) means person(s) who submit valid application forms pursuant to this Prospectus.

Applications Opening Date means 9.00am 3 December on 2010.

Applications Closing Date means 5.00pm Brisbane on 17 December 2010 or such earlier date as Alligator may decide.

Application Form means the application form accompanying this Prospectus which investors may use to apply for Shares.

ARUP means the Alligator Rivers Uranium Province.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited.

Board means the board of Directors of Alligator.

Cameco means Cameco Australia Pty Ltd ACN 001 513 088 from whom the Tin Camp Creek Tenements and the Tin Camp Creek Project generally were acquired.

Corporations Act means the Corporations Act 2001 (Cth) as amended from time to time.

Directors means the directors of Alligator.

EL means an exploration licence.

ELA means an exploration licence application.

EPM means an exploration permit for minerals.

Exposure Period means the seven day period from the date of lodgement of this Prospectus with ASIC which may be extended by ASIC by not more than seven days pursuant to section 727(3) of the Corporations Act.

Issue means the issue of up to 75 million Shares pursuant to this Prospectus.

JORC means the Australasian Code for Reporting of Mineral Resources and ore Reserves (the JORC Code), which sets out minimum standards, recommendations and guidelines for public reporting of exploration results, mineral resources and ore reserves in Australia.

Listing Rules means the official listing rules of ASX.

Management means the senior managers of Alligator.

Mining Act means the Mining Act (NT).

NLC means the Northern Land Council.

Northern Prospector means Northern Prospector Pty Ltd ACN 122 557 073, being a wholly-owned subsidiary of Alligator.

Northern Prospector ELAs are the ELAs set out in section 6.6.

Offer means the Offer to issue up to 75 million Shares each at 20 cents per made pursuant to this Prospectus.

Proper ASTC Transfer has the same meaning as in the Corporations Regulations 2001 (Cth).

Prospectus means this document (including the electronic form of this Prospectus), and any supplementary or replacement prospectus in relation to this document.

QMPL means Queensland Mines Pty Limited ACN 008 407 627.

SCH Business Rules means the operating rules of ASX Settlement and Transfer Corporation Pty Limited.

SEL means substitution exploration licence.

Share(s) means ordinary shares in the capital of Alligator.

The Registry for this Offer is Security Transfer Registrars Pty Ltd ACN 008 894 488.

TCC Project means TCC Project Pty Ltd ACN 145 956 618, being a wholly-owned subsidiary of Alligator.

Tin Camp Creek Project means the exploration project on the Tin Camp Creek Tenements.

Tin Camp Creek Tenements means SEL 24921, SEL 24922 and EL 25002 in the Northern Territory.

WAC means West Arnhem Corporation Pty Ltd ACN 070 561 965.

U.S. Person means a U.S. Person as defined in Regulation S of the Securities Act.
This Prospectus is issued by Alligator Energy Ltd. Each of the Directors has consented to the lodgement of this Prospectus with ASIC.

Dated 26 November 2010

Signed for and on behalf of Alligator Energy Ltd by Denis Gately, Chairman.
Corporate Directory

DIRECTORS
Denis Gately
Robert Sowerby
Paul Dickson
Leigh Curyer
Andrew Vigar
Greg Duncan (Alternate Director)

COMPANY SECRETARY
Evan Hughes

REGISTERED OFFICE
Level 4
67 St Pauls Terrace
Spring Hill Qld 4000
Australia
Telephone: (07) 3831 9154
Facsimile: (07) 3831 6754

INVESTIGATING ACCOUNTANT
Lawler Hacketts Chartered Accountants
Level 3, 549 Queen Street
Brisbane Qld 4000
Australia

SOLICITORS TO THE ISSUE
Minter Ellison
Level 22, Waterfront Place
1 Eagle Street
Brisbane QLD 4000
Australia

SHARE REGISTRY
Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153
Australia

CORPORATE ADVISOR
DDM Capital Pty Ltd
401 Collins St
Melbourne Vic 3000
Australia

LEAD BROKER
Taylor Collison
L 16 211 Victoria Square
Adelaide SA 5001
Australia
Privacy Disclosure Statement

By completing the Application Form accompanying this Prospectus, investors will be providing personal information to the Company (directly or via the Share Registry). The Privacy Act 1988 (Cth) governs the use of a person’s personal information and sets out principles governing the ways in which organisations should treat personal information. The personal information that the Company collects from investors on the Application Form is used to evaluate Applications of Shares, and in the case of successful Applications, to provide services and appropriate administration. If the Company is obliged to do so by law, investors’ personal information will be passed on to other parties strictly in accordance with legal requirements. Once personal information is no longer needed for our records, the Company will destroy or de-identify it.

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant’s security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Underwriter, Share Registry, the Company’s related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers and to the ASX and other regulatory authorities.

If an Applicant becomes a security holder, the Corporations Act requires that the Company to include information about the security holder (including name, address and details of the securities held) in its public register. The information contained in the Company’s public register must remain there for 7 years after that person ceases to be a security holder. Information contained in the Company’s registers is also used to facilitate distribution payments and corporate communications (including the Company’s financial results, annual report and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company’s registered office.
**SHARE REGISTRY:**
Security Transfer Registrars Pty Ltd

**All Correspondence to:**
PO BOX 535, APPLECROSS WA 6953
770 Canning Highway, APPLECROSS WA 6153
T: +61 8 9315 2333  F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

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**ALLIGATOR ENERGY LIMITED**
ACN 140 575 604

**PUBLIC SHARE OFFER APPLICATION FORM**

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

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**PLEASE READ CAREFULLY ALL INSTRUCTIONS ON THE REVERSE OF THIS FORM**

Before completing this Application Form you should read the accompanying Prospectus and the instructions overleaf. Please print using BLOCK LETTERS.

---

**Declaration and Statements:**
1. I/We declare that all details and statements made by me/us are complete and accurate.
2. I/We agree to be bound by the terms and conditions set out in the Prospectus and by the Constitution of Alligator Energy Limited.
3. I/We authorise Alligator Energy Limited to complete and execute and documentation necessary to effect the issue of Shares to me/us.
4. I/We have received personally a copy of the Prospectus accompanied by or attached to this Application form.
5. I/We acknowledge that returning the Application Form with the application monies will constitute my/our offer to subscribe for Shares in the Company and that no notice of acceptance of the application will be provided.

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**I/we apply for:**

| Shares in Alligator Energy Limited at AUD $0.20 per share | or such lesser number of Shares which may be allocated to me/us by its Directors. |

**Full Name of Applicant / Company**

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<th>Title (e.g.: Dr, Mrs)</th>
<th>Given Name(s) or Company Name</th>
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**Joint Applicant #2**

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**Joint Applicant #3**

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**Account Designation**

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**Postal Address**

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**Country Name (if not Australia)**

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**CHESS HIN (where applicable)**

| X |

If an incorrect CHESS HIN has been provided (e.g.: incorrect number, registration details do not match those registered) any securities issued will be held on the Issuer Sponsored subregister.

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**Contact Name**

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**Telephone Number (Business Hours)**

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**Email Address**

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**Declaration and Statements:**
1. I/We declare that all details and statements made by me/us are complete and accurate.
2. I/We agree to be bound by the terms and conditions set out in the Prospectus and by the Constitution of Alligator Energy Limited.
3. I/We authorise Alligator Energy Limited to complete and execute and documentation necessary to effect the issue of Shares to me/us.
4. I/We have received personally a copy of the Prospectus accompanied by or attached to this Application form.
5. I/We acknowledge that returning the Application Form with the application monies will constitute my/our offer to subscribe for Shares in the Company and that no notice of acceptance of the application will be provided.

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**5404179280**
This Application Form relates to the Offer of fully paid Shares in Alligator Energy Limited pursuant to the Prospectus dated 26 November 2010.

APPLICATION FORMS

Please complete all parts of the Application Form using BLOCK LETTERS. Use correct forms of registrable name (see below). Applications using the wrong form of name may be rejected. Current CHESS participants should complete their name and address in the same format as they are presently registered in the CHESS system.

Insert the number of Shares you wish to apply for. The application must be for a minimum of 10,000 Shares and thereafter in multiples of 1,000 Shares. The applicant(s) agree(s) upon and subject to the terms of the Prospectus to take any number of Shares equal to or less than the number of Shares indicated on the Application Form that may be allotted to the applicants pursuant to the Prospectus and declare(s) that all details of statements made are complete and accurate.

No notice of acceptance of the application will be provided by the Company prior to the allotment of Shares. Applicants agree to be bound upon acceptance by the Company of the application.

Please provide us with a telephone contact number (including the person responsible in the case of an application by a company) so that we can contact you promptly if there is a query in your Application Form. If your Application Form is not completed correctly, it may still be treated as valid. There is no requirement to sign the Application Form. The Company’s decision as to whether to treat your application as valid, and how to construe, amend or complete it shall be final.

PAYMENT

All cheques should be made payable to ALLIGATOR ENERGY LIMITED - SHARE OFFER and drawn on an Australian bank and expressed in Australian currency and crossed ‘Not Negotiable’. Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured. Do not forward cash as receipts will not be issued.

LODGING OF APPLICATIONS

Applications must be received by no later than 5.00pm WST on the Applications Closing Date 17 December 2010 which may be changed immediately after the closing of the applications.

Completed Application Forms and cheques must be:

Posted to: OR Delivered to:
ALLIGATOR ENERGY LIMITED
C/- Security Transfer Registrars Pty Ltd
PO Box 335
APPLECROSS WA 6953
ALLIGATOR ENERGY LIMITED
C/- Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

Applications must be received by no later than 5.00pm WST on the Applications Closing Date 17 December 2010 which may be changed immediately after the Applications Opening Date at any time and at the discretion of the Company.

CHESS HIN/BROKER SPONSORED APPLICANTS

The Company intends to become an Issuer Sponsored participant in the ASX CHESS System. This enables a holder to receive a statement of holding rather than a certificate. If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold shares allotted to you under this Application on the CHESS subregister, enter your CHESS HIN. Otherwise, leave this box blank and your Shares will automatically be Issuer Sponsored on allotment.

TAX FILE NUMBERS

The collection of tax file number (“TFN”) information is authorised and the tax laws and the Privacy Act strictly regulate its use and disclosure. Please note that it is not against the law not to provide your TFN or claim an exemption, however, if you do not provide your TFN or claim an exemption, you should be aware that tax will be taken out of any unfranked dividend distribution at the maximum tax rate.

If you are completing the application with one or more joint applicants, and you do not wish to disclose your TFN or claim an exemption, a separate form may be obtained from the Australian Taxation Office to be used by you to provide this information to the Company. Certain persons are exempt from providing a TFN. For further information, please contact your taxation adviser or any Taxation Office.

CORRECT FORM OF REGISTRABLE TITLE

Note that only legal entities are allowed to hold securities. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Alligator Energy Limited. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the example of the correct forms of registrable names below.

<table>
<thead>
<tr>
<th>TYPE OF INVESTOR</th>
<th>CORRECT</th>
<th>INCORRECT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>Mr John Alfred Smith</td>
<td>J A Smith</td>
</tr>
<tr>
<td>Use given names in full, not initials.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company</td>
<td>ABC Pty Ltd</td>
<td>ABC P/L or ABC Co</td>
</tr>
<tr>
<td>Use the company’s full title, not abbreviations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joint Holdings</td>
<td>Mr Peter Robert Williams &amp;</td>
<td>Peter Robert &amp;</td>
</tr>
<tr>
<td>Use full and complete names.</td>
<td>Ms Louise Susan Williams</td>
<td>Louise S Williams</td>
</tr>
<tr>
<td>Trusts</td>
<td>Mrs Susan Jane Smith</td>
<td>Sue Smith Family Trust</td>
</tr>
<tr>
<td>Use trustee(s) personal name(s)., Do not use the name of the trust.</td>
<td>&lt;Susan Smith Family A/C&gt;</td>
<td></td>
</tr>
<tr>
<td>Deceased Estates</td>
<td>Ms Jane Mary Smith &amp;</td>
<td>Estate of Late John Smith</td>
</tr>
<tr>
<td>Use the executor(s) personal name(s).</td>
<td>Mr Frank William Smith</td>
<td>John Smith Deceased</td>
</tr>
<tr>
<td>or &lt;Estate John Smith A/C&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minor (a person under the age of 18)</td>
<td>Mr John Alfred Smith</td>
<td>Master Peter Smith</td>
</tr>
<tr>
<td>Use the name of a responsible adult with an appropriate designation.</td>
<td>&lt;Peter Smith A/C&gt;</td>
<td></td>
</tr>
<tr>
<td>Partnerships</td>
<td>Mr John Robert Smith &amp;</td>
<td>John Smith and Son</td>
</tr>
<tr>
<td>Use the partners’ personal names. Do not use the name of the partnership.</td>
<td>Mr Michael John Smith</td>
<td></td>
</tr>
<tr>
<td>or &lt;John Smith and Son A/C&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Superannuation Funds</td>
<td>The name of the trustee(s) of the super fund.</td>
<td></td>
</tr>
<tr>
<td>Use the name of the trustee(s) of the super fund.</td>
<td>&lt;Jane Smith Pty Ltd A/C&gt;</td>
<td>Jane Smith Pty Ltd Superannuation Fund</td>
</tr>
</tbody>
</table>

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.