# ALLIGATOR ENERGY LIMITED
# AND CONTROLLED ENTITIES

## ACN 140 575 604

## 31 December 2023
## HALF YEAR FINANCIAL REPORT

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The information in this report should be read in conjunction with the Annual Report for the year ended 30 June 2023 which is available from the Alligator Energy Limited website: www.alligatorenergy.com.au

**ALLIGATOR ENERGY LIMITED**
**AND CONTROLLED ENTITIES**
**ACN 140 575 604**

## DIRECTORS' REPORT

The Directors of Alligator Energy Limited (the 'Company', 'Alligator', 'AGE') and its controlled entities (the 'Group') present their report, together with the financial statements of the Group, for the half-year ended 31 December 2023.

### Directors

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

| | |
|---|---|
| Paul Dickson | Non-Executive Chairman |
| Fiona Nicholls | Non-Executive Director |
| Peter McIntyre | Non-Executive Director |
| Gregory Hall | Managing Director & CEO |
| Callum McIntyre | Alternate Director for Peter McIntyre (appointed 1 August 2023) |

### Principal activities

The principal activities of the Group are uranium and other energy minerals exploration. There were no significant changes in the nature of the Group's activities during the half-year.

### Dividends

There were no dividends paid to shareholders during the half-year.

### Review of operations

(i) **Exploration and Evaluation activities**

***Samphire Project, South Australia***

***Mineral Resource Estimate Targeting In-Situ Recovery (ISR)***

In December 2023, Alligator upgraded the indicated category of its Mineral Resource Estimate (MRE) at the Blackbush Deposit by a further 21% to 12.9Mlbs at an average grade of 754ppm $U_3O_8$ – a 115% increase since commencement of AGE's resource drilling at Blackbush in 2022.

Overall, 74% of the Blackbush Mineral Resource is now classified as Indicated; a notable improvement from 40% in AGEs initial MRE targeting In-Situ Recovery announced September 2022. In summary at 250ppm cut-off grade the Blackbush resource now stands at Indicated Mineral Resource of 12.9Mlbs at 754ppm and an Inferred Mineral Resource of 4.6Mlbs at 447ppm, totalling 17.5Mlbs at 640ppm $U_3O_8$. As the 2023 infill drilling was focussed within the previous Blackbush MRE, the Inferred Mineral Resource, as expected, reduced by 2.9Mlbs (39%).

**Review of operations (cont.)**

***Samphire Project, South Australia***

***Mineral Resource Estimate Targeting In-Situ Recovery (ISR)***

| JORC Category | Mt | Grade ($U_3O_8$ ppm) | $U_3O_8$ Metal (Mlbs) |
|---|---|---|---|
| **Indicated** | 7.8 | 754 | 12.9 |
| **Inferred** | 4.6 | 447 | 4.6 |
| **Total** | 12.4 | 640 | 17.5 |
| The model is reported unconstrained and above a 250 ppm U3O8 lower cut-off grade for all zones in consideration of potential for recovery by in situ leach processes.<br>Estimation is by ordinary kriging for all mineralised zones.<br>Density is assigned as 2.05 t/m3 based on limited test work.<br>The model assumes agglomeration of 12.5mE x 12.5mN x [variable]mRL panels for definition of well fields for production.<br>The model does not account for dilution, ore loss or recovery issues. These parameters should be considered during the mining study as being dependent on the treatment process.<br>Classification is according to JORC Code Mineral Resource categories.<br>Totals may vary due to rounded figures | | | |

**Table 1:** Blackbush Mineral Resource Estimate reported above a 250ppm $U_3O_8$ cut-off.

***Updated Scoping Study***

In December 2023, Alligator also announced the results of an update to the initial Samphire Project Scoping Study (released 14 March 2023) which incorporated the increased confidence level in the Mineral Resource Estimate for the Blackbush Deposit and a consequent lift in the annualised Production Target from 1Mlbs pa to 1.2Mlbs pa.

Key highlights from the updated study included:

- Updated Scoping Study delivers a 69% increase to the post-tax NPV8 to A$257M.
- Total uranium mining inventory at Samphire is 17.5 Mlbs $U_3O_8$, with 74% from the updated Indicated Resource category and an assumed recovery of 70%.
- LOM Production Target increased from 10.0 Mlbs $U_3O_8$ to 12.3 Mlbs over the same 12-year period, with annual Production Target increasing 20% from 1.0Mlbs pa to 1.2Mlbs pa.
- Enhanced Project economics at a forecast US$75/lb $U_3O_8$ realised sales price (previously US$65/lb) and an unchanged A$:US$ exchange rate of 70 cents:
  - Ungeared, real post-tax $NPV_8$ of A$257M (A$244 M - A$270M) up from A$152M
  - Post-tax internal rate of return (IRR) of 42% (40.0% - 44.1%) up from 29%
  - Reduction in payback period by 30% to 2.45 years from start of production
  - Forecast net project cashflow (post Capex and tax) increase of 52% to A$467M (A$443M - A$490M).

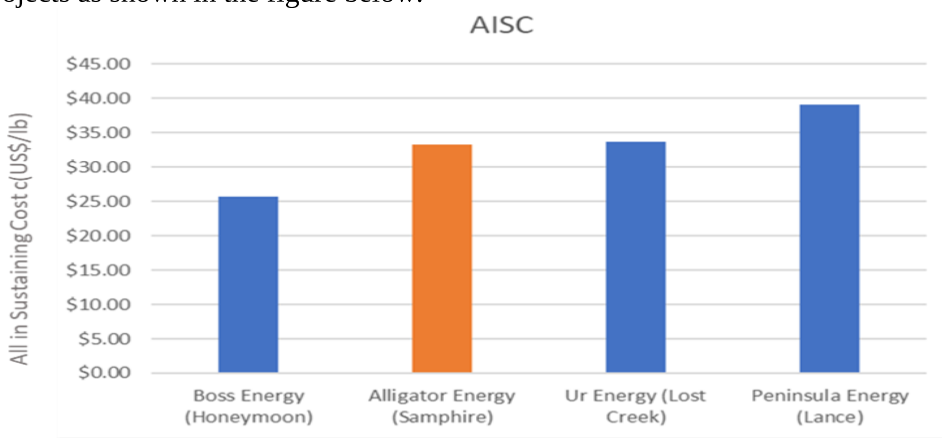
**Review of operations (cont.)**

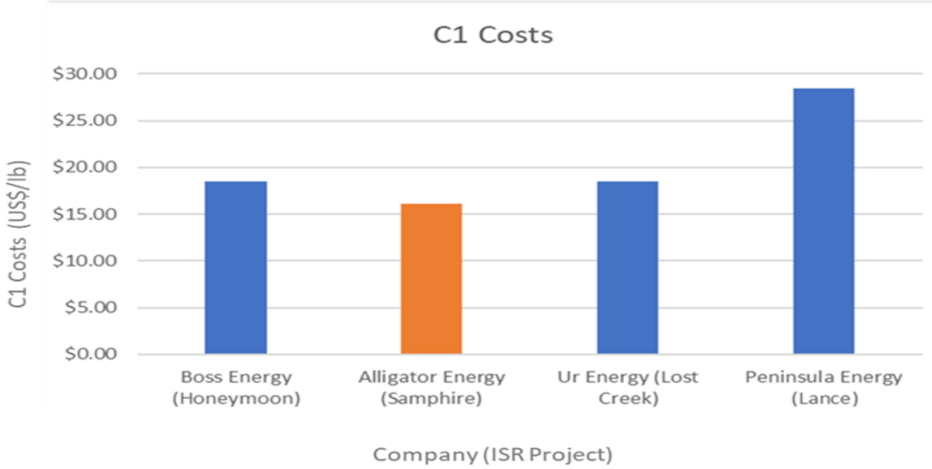
***Updated Scoping Study (cont.)***

- Low initial capital expenditure forecast of A$131M (A$124M-A$138M) being an increase of 2% to achieve the 20% step-up in the steady state annual Production Target - including consistent application of contingency (30%) and a 5% escalation assumption (down from 10% previously) due to improved ability to estimate costs.
- Favourable average cash operating costs (C1) of A$22.94/lb U3O8 (US$16.06/lb U3O8) with a range of A$21.79/lb - A$24.09/lb) and AISC (including transport, shipping, royalties and sustaining capital) of A$47.58/lb $U_3O_8$ (US$33.31/lb U3O8) with range of A$45.20/lb to A$49.96/lb when compared to other ISR operations and restart projects.

The increased confidence in the uranium mining inventory (lift in Indicated category) and improved financial outcomes continue to highlight the opportunity for a competitive low-cost uranium operation at Samphire using the low environmental impact In-Situ Recovery (ISR) method.

Samphire Project has similar AISC and C1 costs when compared to other ISR operations and restart projects as shown in the figure below.



**Review of operations (cont.)**

***Establishment of an Exploration Target Range***

In December 2023, the Company defined an Exploration Target Range (Range) for the Samphire Uranium Project. This Range was estimated to be 16Mt to 37Mt at a grade between 390ppm and 903ppm e $U_3O_8$ for a range of 14Mlbs to 75Mlbs of contained e $U_3O_8$ has been interpreted at 250ppm cut-off. The Range does not include the Blackbush Mineral Resource Estimate. Range includes extensions to mineralisation at Blackbush, the Plumbush prospect as well as other areas of known mineralisation and potential extensions.

In preparing this estimate, Alligator conducted an extensive data review of over 1,000 historical and current drillholes and associated geological and geophysical datasets. The work identified 11 discrete palaeochannel areas, of which 5 were used in the above estimate. Only Kanaka Bed sands hosted areas amenable to In-Situ Recovery (ISR) were considered.

With 64 kms of interpreted palaeochannel strike length, only 10% of the prospective system (Blackbush Deposit and portion of Plumbush Prospect) have been well explored, with a further 30% partly drill tested. To date, 58% (over 37 kms) of the prospective areas of the palaeochannel system remain completely untested, indicating the significant potential for new discoveries in the Project area.

The Exploration Target range underpins a multi-year exploration program has kicked off in early February 2024 testing Blackbush Extension 1 & 2.

***Field Recovery Trial (FRT)***

In August 2023 Alligator submitted its Retention Lease Application (RLA) to the SA Department of Energy and Mining (DEM) to conduct a pilot ISR FRT. As part of the formal review and approval process, a public review and consultation period for this application concluded late September 2023 with formal feedback received from the DEM on 20 December 2023 regarding the public consultation and the various SA Government Department's submissions on the application. Drafting of Alligator's formal responses to the submissions was in progress at period end as the next step towards approval of the Lease.

Fabrication of the containerised FRT plant by Adelaide Control Engineering (ACE) continued during the quarter and is nearing completion with the current status as follows:

- Wellhouse module construction completed.
- Ion exchange (IX) columns were delivered on 15 December 2023, pipework and electrical fitting is in progress.
- Control system programming 70% complete.

Preparatory work such as planning for on-site assembly, civil design and ordering of supporting infrastructure (e.g. tanks, wellfield lines, office, ablutions, generators etc) for the FRT is in progress. Transport of the pilot plant to AGE's Whyalla storage facility will occur during March after initial wet commissioning and acceptance testing has been completed.

**Review of operations (cont.)**

***Alligator Rivers Province (ARUP) – TCC, Beatrice and Nabarlek North Projects***

The Nabarlek North exploration program for 2023 was completed during November 2023. This included 15 km2 of gradient IP, 3.4 km of dipole-dipole IP, over 320 air-core holes, 100 shallow auger holes and a 1,398 m RC drilling program. The RC drilling comprised 9 holes forming a three-fence program (3 holes per fence). This drilling provided critical ties with recently completed geophysics, 2022 – 2023 geochemistry sampling and geological interpretations. A significant uranium was intercepted was made in hole NNRC23-008 returning 3 m at 0.12% (1,211ppm) U3O8. This will form the basis of further investigations to understand the potential continuity of U40 prospect mineralisation (owned by DevEx Resources Ltd) into AGE's Nabarlek North (NN) project and aid with broader target generation.

Northern Territory DITT, Office of the Supervising Scientist and the Northen Land Council (NLC) undertook an audit of AGE's NN exploration activities in early October 2023. Overall, findings were very positive towards our program execution, with only minor improvements suggested for the 2024 Mine Management Plan.

A consultation meeting was held with Nabarlek North Traditional Owners and the NLC in mid-October to present 2024 work programs. Subject to standard site clearances, consent was provided for all 2024 proposed works.

***Big Lake Uranium (BLU), South Australia***

A formal clearance of proposed 2024 drill lines with eight members of the Yandruwandha Yawarrawarrka Traditional Landowners Aboriginal Corporation (YYTLOAC) was carried out in November 2023. Based on initial feedback, Traditional Owners have no significant cultural issues with the drilling proposals.

Drilling is planned to commence in April/May 2024 with up to forty holes averaging 150 m length. As the maiden drilling program for uranium in this section of the basin, it is primarily designed as proof-of-concept test.

***Piedmont Project, northern Italy***

During the six months a re-interpretation of the 2022 EM identified targets was undertaken after considering newly acquired petrophysics (34 samples), petrology (9 samples), geological mapping and 2022-2023 rock geochemistry covering 52 elements. Consistent graphite shows near the remodelled La Balma EM target suggest a strong possibility of a non-sulphide source, whereas the Alpe Laghetto Mine upside potential does not appear to be fully delimited from current data.

A decision was taken during the six-month period based on recent results not to proceed to drill at Alpe Laghetto and not to exercise the buyout option with CRP which fell due in August 2023. A more district-wide exploration program now appears to be the most appropriate next step, including shoring up district-wide drill targets for potential sale of the project.

**Review of operations (cont.)**

***Piedmont Project, northern Italy (cont.)***

AGE earned its 51% interest in the underlying Piedmont JV tenure during the six months. In conjunction with its joint venture partner, AGE has now applied for and received in-principle approval for an extension of the Alpe Laghetto beyond the December 2023 expiration.

(ii) **Financial**

The loss for the consolidated group for the half-year was $1,483,414 (Half-year to 31 December 2022: $1,255,203 loss). The loss for the period includes expensing of exploration and evaluation expenditure holding costs (due to limited exploration activity) at the Tin Camp Creek and Beatrice Projects of $45,214 (Half-year to 31 December 2022: $54,975).

The significant increase in interest income during the period is as a result of an improved interest rate environment and higher average cash balances on hand.

The Company's overhead cost base has continued to grow during the six-month period to support both further evaluation of the Samphire Project technical and economic parameters and the increased levels of activity at both the Nabarlek North and Big Lake Projects.

Full-time and part-time employees now number 32 (Half year to 31 December 2022: 15) increasing the level of employee benefit expense, including a senior addition to the Management Team with the appointment in March 2023 of an Exploration Manager. The growth in the employee benefit expenses has resulted in the Company breaching the payroll tax thresholds in South Australia, Queensland, Western Australia and Victoria with an expense for the six-month period of $88,880 (Half year to 31 December 2022: $47,500).

The increase in senior staff recruits eligible for participation in the employee share option plan has been the principal driver for the increase in the share-based payment expense.

During the second half of the 2023 financial year the Company renewed its premises lease for the Adelaide office for a three-year period with an option to extend for a further two years. A Right of Use Asset and Lease Liability was recognised for the first time for the period ended 30 June 2023 under Australian Accounting Standards. Consequently, the reduction in occupancy expenses during the current six-month period is offset with an increase in depreciation and interest costs.

The increase in consultants and professional fees is attributable to legal fees associated with the EnviroCopper Limited investment, a share purchase plan offer and other advice.

The Company continued its business development activities with the help of an external corporate advisor with the objective of pursuing further aligned uranium and energy mineral opportunities and projects in target regions.

**Financial (cont.)**

The Company undertook a share placement to institutional and sophisticated investors and the offer of a Share Purchase Plan (SPP) during the period and remains well funded for its proposed 2024 development and exploration work programs. The placement raised $25.5M and the SPP a further $3.26M both before offer costs that totalled $1.7M.

In late November 2023, the Company issued 273,961,390 premium priced options under the terms of both the Placement and the SPP outlined above. The options are exercisable at $0.078 each at any time before 28 November 2025. AGE successfully applied for quotation of the Options with ASX which now trade under the code AGEOC.

(iii) **Environment, Social and Governance (ESG)**

Alligator is committed to sound ESG practices across all facets of its business and is continuing the process of establishing a framework and goals to support sustainable operating activities across its portfolio of development and exploration projects.

The Company has recently implemented a new companywide Workplace Health and Safety, Environmental and Quality Management System which is now being embedded into 'business as usual' practices.

(iv) **Matters subsequent to the end of the half-year**

In January 2024 the Company advised that it completed its initial investment in EnviroCopper (~$0.9M for a 7.8% interest in ECL). Details on the key commercial terms set out in the Shareholders' Agreement are set out in the ASX release dated 18 December 2023 – *Alligator Invests into South Australian ISR Copper*.

AGE also advised that both resource extension and broader exploration drilling recommenced at the Samphire Uranium Project from the end of January 2024.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect:

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

**DIRECTORS' REPORT**
(continued)

(v) **Auditor's Independence Declaration**

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 9.

This report is made in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the *Corporations Act 2001*.

**Paul Dickson**
**Chairman**
**Brisbane, 7 March 2024**

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

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2023, there have been:

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

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

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

PKF BRISBANE AUDIT

TIM FOLLETT
PARTNER

7 MARCH 2024
BRISBANE

**ALLIGATOR ENERGY LIMITED**
**AND CONTROLLED ENTITIES**
**ACN 140 575 604**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**
**AND OTHER COMPREHENSIVE INCOME**
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

| | Note | 31 December 2023 $ | 31 December 2022 $ |
|---|---|---|---|
| **Revenue** | | | |
| Other income - interest | | 374,591 | 62,983 |
| Insurance claim proceeds | | - | 30,000 |
| **Expenses** | | | |
| Accounting and audit fees | | (45,452) | (24,653) |
| Consultants and professional fees | | (81,602) | (5,575) |
| Directors' fees | | (96,994) | (96,687) |
| Employee benefits expense | | (676,150) | (365,882) |
| Share-based payments | | (156,121) | (75,321) |
| Depreciation | | (41,242) | (6,758) |
| Occupancy expenses | | (35,367) | (73,386) |
| Stock exchange and share registry fees | | (124,411) | (114,594) |
| Travel and accommodation expenses | | (70,306) | (79,998) |
| Insurance | | (49,682) | (46,646) |
| Investor relations | | (47,355) | (51,801) |
| Business development | | (119,560) | (151,251) |
| Exploration costs expensed | 6 | (45,214) | (54,975) |
| Foreign exchange (loss)/gain | | (284) | - |
| IT costs incl licences | | (103,174) | (74,152) |
| Interest expense – ROU asset | | (8,436) | - |
| Other expenses | | (156,655) | (126,508) |
| Loss before income tax | | (1,483,414) | (1,255,203) |
| Income tax | | | - |
| **Loss for the period** | | **(1,483,414)** | **(1,255,203)** |
| **Other comprehensive income** | | - | - |
| **Total comprehensive loss for the period** | | **(1,483,414)** | **(1,255,203)** |
| **Loss attributable to members of the parent entity** | | **(1,483,414)** | **(1,255,203)** |
| **Total comprehensive loss attributable to members of the parent entity** | | **(1,483,414)** | **(1,255,203)** |
| **Loss per share:** | | **Cents** | **Cents** |
| Basic earnings/(loss) per share | | (0.04) | (0.04) |
| Diluted earnings/(loss) per share | | (0.04) | (0.04) |

The accompanying notes form part of these financial statements.

**ALLIGATOR ENERGY LIMITED**
**AND CONTROLLED ENTITIES**
**ACN 140 575 604**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
**AS AT 31 DECEMBER 2023**

| | Note | 31 December 2023 $ | 30 June 2023 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets** | | | |
| Cash and cash equivalents | | 36,531,547 | 18,498,329 |
| Trade and other receivables | | 722,793 | 659,517 |
| Inventories | | 6,417 | 11,943 |
| **Total Current Assets** | | 37,260,757 | 19,169,789 |
| **Non-Current Assets** | | | |
| Trade and other receivables | | 475,688 | 440,538 |
| Plant and equipment | 5 | 2,147,285 | 430,286 |
| Right of use asset | | 272,457 | 305,151 |
| Exploration and evaluation expenditure | 6 | 29,111,712 | 23,778,563 |
| **Total Non-Current Assets** | | 32,007,142 | 24,954,538 |
| **Total Assets** | | 69,267,899 | 44,124,327 |
| **LIABILITIES** | | | |
| **Current Liabilities** | | | |
| Trade and other payables | | 1,437,136 | 2,001,441 |
| Lease liabilities | | 60,682 | 58,971 |
| **Total Current Liabilities** | | 1,497,818 | 2,060,412 |
| **Non-Current Liabilities** | | | |
| Lease liabilities | | 216,727 | 247,502 |
| Provisions | | 375,086 | 375,085 |
| **Total Non-Current Liabilities** | | 591,813 | 622,587 |
| **Total Liabilities** | | 2,089,630 | 2,682,999 |
| **Net Assets** | | 67,178,268 | 41,441,328 |
| **EQUITY** | | | |
| Contributed equity | 7 | 99,709,034 | 72,515,301 |
| Reserves | | 133,042 | 175,697 |
| Accumulated losses | | (32,663,808) | (31,249,670) |
| **Total Equity** | | 67,178,268 | 41,441,328 |

The accompanying notes form part of these financial statements.

**ALLIGATOR ENERGY LIMITED**
**AND CONTROLLED ENTITIES**
**ACN 140 575 604**

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

| | Contributed equity $ | Options Reserve $ | Accumulated Losses $ | Total $ |
|---|---|---|---|---|
| **Balance at 1 July 2022** | 72,303,961 | 141,294 | (28,444,193) | 44,001,062 |
| Total comprehensive loss for the period | - | - | (1,255,203) | (1,255,203) |
| **Transactions with owners in their capacity as owners:** | | | | |
| Share options – value of expense | - | 75,321 | - | 75,321 |
| Options lapsed | | (9,006) | 9,006 | - |
| Issue of ordinary shares | 126,989 | (126,989) | - | - |
| Capital raising costs | - | - | - | - |
| **Balance at 31 December 2022** | **72,430,950** | **80,620** | **(29,690,390)** | **42,821,180** |
| **Balance at 1 July 2023** | 72,515,301 | 175,697 | (31,249,670) | (41,441,328) |
| Total comprehensive loss for the period | - | - | (1,483,414) | (1,483,414) |
| **Transactions with owners in their capacity as owners:** | | | | |
| Share options – value of expense | | 156,121 | | 156,121 |
| Options exercised/lapsed | 129,500 | (198,776) | 69,276 | - |
| Issue of ordinary shares | 28,792,000 | | | 28,792,000 |
| Capital raising costs | (1,727,767) | - | - | (1,727,767) |
| **Balance at 31 December 2023** | **99,709,034** | **133,042** | **(32,663,808)** | **67,178,268** |

The accompanying notes form part of these financial statements.

**ALLIGATOR ENERGY LIMITED**
**AND CONTROLLED ENTITIES**
**ACN 140 575 604**
**CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

| | 31 December 2023 $ | 31 December 2022 $ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Interest received | 374,591 | 62,732 |
| Payments to suppliers and employees | (1,538,237) | (1,139,949) |
| **Net cash outflow from operating activities** | (1,163,646) | (1,077,217) |
| **Cash flows from investing activities** | | |
| Payments for exploration expenditure | (6,337,981) | (3,101,066) |
| Payments for security deposits | (35,150) | (94,636) |
| Payments for purchase of fixed assets | (122,203) | (186,069) |
| Payments for capital works in progress (FRT) | (1,334,535) | - |
| **Net cash (outflow) from investing activities** | (7,829,869) | (3,381,771) |
| **Cash flows from financing activities** | | |
| Proceeds on issue of shares | 28,792,000 | - |
| Payment of capital raising costs | (1,727,767) | - |
| Lease payments | (37,500) | - |
| **Net cash inflow from financing activities** | 27,064,232 | - |
| Net (decrease)/increase in cash held | 18,033,218 | (4,458,988) |
| Cash and cash equivalents at the beginning of the financial period | 18,498,329 | 27,127,889 |
| **Cash and cash equivalents at the end of financial period** | 36,531,547 | 22,668,901 |

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

## Note 1 General information and summary of significant accounting policies

### Basis of preparation of half-year financial statements

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

These general purpose interim financial statements for the half-year reporting period ended 31 December 2023 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134*: Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. The financial statements are presented in Australian dollars.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Group. As such, it does not contain information, or all the notes of the type normally included in the annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2023, together with any public announcements made during the half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

These interim financial statements have been approved and authorised for issue by the Directors on the 7 March 2024. The interim financial report have been prepared on the basis of historical cost, except for the statement of cashflows. Cost is based on the fair values of consideration in exchange for assets.

### Significant accounting policies

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

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

The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. None of the new standards or amendments to standards that are mandatory for the first time materially affected any of the amounts recognised in the current period or any prior period.

## Note 1 General information and summary of significant accounting policies (continued)

### Going Concern

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

During the six months ended 31 December 2023, the Group made an operating loss before tax of $1,483,414 (2022: $1,255,203). Cash outflows from operating and exploration-related investing activities during the same period were $9,031,015 (2022: $4,178,283). The Group's ability to continue on a going concern basis is therefore dependent upon its ability to manage its current cash resources, raise additional capital through farm-out arrangements with strategic partners or share issues to existing shareholders or new investors. The Directors are confident of being able to manage the current cash resources and if necessary secure additional funding arrangements and believe the Group is a going concern and will be able to pay its debts as and when they fall due and payable.

## Note 2 Critical accounting estimates and judgements

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

*Critical judgements in applying the entity's accounting policies*

The Group has capitalised exploration expenditure of $29,111,712 (30 June 2023: $23,778,563). This amount includes costs directly associated with exploration and the purchase of interests in exploration titles. These costs are capitalised as an intangible asset until assessment and/or drilling of the permit is complete and the results have been evaluated. These direct costs include employee remuneration, materials, rentals, camp costs and payments to contractors for services such as drilling and geotech surveys. The expenditure is carried forward until such a time as the area moves into the development phase, is abandoned or sold. Given exploration activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of recoverable resources and the difficulty in forecasting cash flows to assess the fair value of exploration expenditure, there is uncertainty as to the carrying value of exploration expenditure. The ultimate recovery of the carrying value of exploration expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the interest in the tenements. The Directors are of the opinion that the exploration expenditure is recoverable for the amount stated in the financial report.

*Provision for site restoration*

The Group estimates the cost of rehabilitating disturbances as a result of exploration activity. These estimates are based on the requirements of current legislation, comprise an estimate of the external costs to rehabilitate and are consistent with the amounts reported to the Department of Tourism, Industry and Trade in the Northern Territory and the Department of Energy and Minerals in South Australia.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

### Note 3 Segment information

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

The geographical segments (for potential revenue on successful development) have been assessed as being Australia and Italy.

The geographical location of assets is disclosed below:

| | 31 December 2023 $ | 30 June 2023 $ |
|---|---|---|
| ***Australia*** | | |
| Current assets | 37,226,801 | 19,135,363 |
| Property, plant & equipment | 2,147,285 | 430,286 |
| Other non-current assets | 748,145 | 745,689 |
| Capitalised exploration expenditure | 28,569,201 | 23,273,629 |
| | 68,691,432 | 43,584,967 |
| ***Italy*** | | |
| Current assets | 33,956 | 34,426 |
| Capitalised exploration expenditure | 542,511 | 504,934 |
| | 576,467 | 539,360 |

| | 31 December 2023 $ | 30 June 2023 $ |
|---|---|---|
| ***Total*** | | |
| Current assets | 37,260,757 | 19,169,789 |
| Property, plant & equipment | 2,147,285 | 430,286 |
| Other non-current assets | 748,145 | 745,689 |
| Capitalised exploration expenditure | 29,111,712 | 23,778,563 |
| | 69,267,899 | 44,124,327 |

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

The only revenue during the period related to interest and other income and was generated solely by the Australian segment.

The interest free intercompany loan between Australia and Italy totalling $555,697 (30 June 2023: $518,121 which is denominated in AUD has been eliminated in the above disclosure.

## Note 3 Segment information (continued)

At 31 December 2023 the liabilities of the Italian entity excluding the intercompany loan totalled $8,227 (30 June 2023: $8,227).

There were no employees in the Italian segment during or at the end of the financial period.

## Note 4 Dividends

No dividend has been paid during the half-year ended 31 December 2023 and none is proposed.

## Note 5 Non-current assets –Plant & Equipment

| | 31 December 2023 | 30 June 2023 |
|---|---|---|
| Plant & Equipment – at cost | 1,094,227 | 968,645 |
| Accumulated depreciation | (752,351) | (709,439) |
| | 341,875 | 259,206 |
| Carrying value at beginning of financial year | 259,205 | 70,740 |
| Additions | 125,581 | 247,609 |
| Disposals / written off | - | (2,424) |
| Depreciation expensed | (8,548) | (14,624) |
| Depreciation capitalised to exploration expenditure | (34,362) | (42,095) |
| Carrying value at end of financial year | 341,875 | 259,206 |
| Capital work in progress (Field Recovery Trial) | 1,805,410 | 171,080 |
| **Total** | **2,147,285** | **430,286** |

## Note 6 Exploration Expenditure

| | 31 December 2023 | 30 June 2023 |
|---|---|---|
| | $ | $ |
| **Exploration phase** | | |
| Geological, geophysical, drilling and other expenditure – at cost | 29,111,712 | 23,778,563 |
| *The capitalised exploration expenditure carried forward has been determined as follows:* | | |
| Opening balance | 23,778,563 | 16,753,899 |
| Expenditure incurred or tenements acquired during the period | 5,378,363 | 7,679,985 |
| Impairment provision – Piedmont | - | (514,000) |
| Exploration and evaluation costs expenses | (45,214) | (141,321) |
| CRP interest acquisition option fee | - | - |
| | 29,111,712 | 23,778,563 |

**Note 6 Exploration expenditure (continued)**

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

At 31 December 2023 an assessment of the carrying value of the capitalised exploration and evaluation expenditure for the ARUP, Piedmont, Cooper Basin and Samphire areas of interest was conducted. All areas continue to be regarded as being highly prospective for the discovery of commercially viable mineral resources and no impairment triggers under the requirements of AASB 6 were identified.

***Exploration commitments***

To maintain current rights to tenure of the exploration and mining tenement holdings, the Group is required to outlay amounts in respect of tenement rent to the relevant governing authorities and to meet certain annual exploration expenditure commitments. The committed outlays for a minimum level of exploration expenditure (covenant) and annual tenement rentals are as follows:

| | 31 December 2023 $ | 30 June 2023 $ |
|---|---|---|
| Exploration expenditure commitments payable: | | |
| - within one year | 711,435 | 695,902 |
| - later than one year but not later than five years | 663,870 | 426,402 |
| - later than five years | - | - |
| | 1,375,305 | 1,122,304 |
| Estimated royalties payable within one year | 133,214 | 91,113 |

Minimum expenditure covenants under the Department of Primary Industries and Resources Guidelines (Northern Territory) must be based on realistic and practical work programs and proposed expenditure levels. These covenants may be varied from time to time, subject to approval of the relevant government departments, and may be relieved if a tenement is relinquished or on agreement with the Department. The exploration expenditure commitments set out above include expenditure covenants for the 2023 financial year totalling $194,500 (2022: $50,000).

Cash security bonds totalling $372,809 (30 June 2023: $282,764) were held by the relevant governing authorities at 31 December 2023 to ensure compliance with granted tenement conditions. The Group has lodged a cash backed bank guarantee of $40,000 (as a security bond) (30 June 2023: $40,000) with the Northern Land Council in relation to its interest in the Beatrice Project.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

## Note 7 Equity Securities Issued

### *(a) Ordinary Shares*

Issues of ordinary share capital during the half year:

| Date | Details | Number of shares | Issue Price $ | $ |
|---|---|---|---|---|
| 1 July 2023 | Balance | **3,305,918,943** | | **72,515,301** |
| 15 Sept 2023 | STI Option Vesting | 2,212,758 | 0.048 | 106,213 |
| 26 Sept 2023 | STI Option Vesting | 484,156 | 0.048 | 23,287 |
| 27 Sept 2023 | Share Placement | 491,000,000 | 0.052 | 25,532,000 |
| 23 Oct 2023 | SPP Offer | 62,692,145 | 0.052 | 3,260,000 |
| | Issue Costs | - | - | (1,727,767) |
| 31 Dec 2023 | Balance | **3,862,309,002** | | **99,709,034** |

**Notes:**

1. STI Option Vesting – relates to short-term incentive options issued to executives and employees in relation to the 2022/23 performance year. The short-term incentives are linked to 4-5 key performance indicators agreed with each individual and only vest on assessment for performance which occurred during the period. STI Options that did not vest as a result of performance hurdles not being met have expired.
2. Share Placement and SPP Offer - the Company undertook a placement to institutional and sophisticated investors and the offer of a share purchase plan (SPP) during the six-month period. The placement raised $25.5M and the SPP a further $3.26M both before offer costs that totalled $1.7M. The issue price was $0.052 per share with one free-attaching option (exercisable at $0.078 and expiring 2 years from the date of issue) for every two new shares subscribed for under both the placement and the offer.

**Note 7 Equity Securities Issued (continued)**

***(b) Performance Shares***

On 10 December 2019, following approval by Shareholders at the AGM, the Company allotted 60,000,000 unlisted Performance Shares (30,000,000 Acquisition and 30,000,000 Contingent Consideration Shares) linked to milestones under the Big Lake Uranium Farm-in Agreement.

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

The Contingent Consideration Performance Shares have the following conversion rights: on discovery and definition of a JORC compliant Inferred Resource of 25 million lbs U3O8 at 1,000ppm uranium or greater on the Big Lake Uranium Project within five years of 10 December 2019.

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

- The Company will issue the holder with a new Share certificate for the Shares as soon as practicable following the conversion of a Performance Share into a Share.
- The remaining Milestone must be achieved before the date presented in each Milestone (Expiry Date).
- For a class of Performance Shares if a Milestone is not achieved before the Expiry Date, then all of the Holders' Performance Shares of that class will automatically consolidate into one Share only (Automatic Conversion).
- Notwithstanding anything else in these terms, the conversion of a Performance Share is subject to compliance at all times with the Corporations Act and the ASX Listing Rules.
- The Shares into which Performance Shares will convert will rank pari passu in all respects with existing Shares and will confer rights identical with all other Shares then on issue.

The remaining Milestone may only be amended with approval of Shareholders in General Meeting and a voting exclusion statement applies in relation to any holder of Performance Shares.

The allottees of the Performance Shares were the previous Big Lake Uranium Pty Ltd shareholders.

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

***(c) Options***

**Listed**
In late November 2023, the Company issued 273,961,390 premium priced options under the terms of both the Placement and the SPP detailed in Note 6(a) above. The options are exercisable at $0.078 each at any time before 28 November 2025. AGE successfully applied for quotation of the Options with ASX which now trade under the code AGEOC.

## Note 7 Equity Securities Issued (continued)

### *(c) Options (cont.)*

**Unlisted**

28,874,068 unlisted zero priced employee and contractor performance options were on issue as at 31 December 2023. These options will only vest if the short term and long term performance conditions are met and expire over periods through to September 2026.

132,000,000 unlisted options exercisable at 8.1 cents at any time before 1 December 2025.

## Note 8 Contingent liabilities

There have been no changes in contingent liabilities since the end of the previous annual reporting period, 30 June 2023.

## Note 9 Events occurring after the end of the interim period

In January 2024 the Company advised that it completed its initial investment in EnviroCopper (~$0.9M for a 7.8% interest in ECL). Details on the key commercial terms set out in the Shareholders' Agreement are set out in the ASX release dated 18 December 2023 – Alligator Invests into South Australian ISR Copper.

AGE also advised that both resource extension and broader exploration drilling recommenced at the Samphire Uranium Project from the end of January 2024.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect:

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

**ALLIGATOR ENERGY LIMITED**
**AND CONTROLLED ENTITIES**
**ACN 140 575 604**

## DIRECTORS' DECLARATION

The Directors declare that:

1. The consolidated financial statements and notes, as set out on pages 10 to 21 are in accordance with the *Corporations Act 2001*, including:
    a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
    b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to S303(5) of the *Corporations Act 2001*.

**Paul Dickson**
**Chairman**

**Brisbane, 7 March 2024**

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

## Conclusion

We have reviewed the accompanying half-year financial report of Alligator Energy Limited ("the company"), which comprises the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the half-year's end or from time to time during the financial half-year.

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

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023, and of its financial performance for the half-year ended on that date; and

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

## Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### *Independence*

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

## Responsibility of the Directors for the Financial Report

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

## Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

PKF Brisbane Audit

Tim Follett
Partner

7 March 2024
Brisbane

## COMPETENT PERSON'S STATEMENT

The information included in the Directors' Report in relation to exploration activities during the half year ended 31 December 2023 is extracted from the Quarterly Activities Reports for the quarters ended 30 September and 31 December 2023 and any post period end ASX announcements and are available to view on the Company's website- www.alligatorenergy.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.