



PALADIN ENERGY LTD

ACN 061 681 098

Ref: 181320

29 September 2010

Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

By Electronic Lodgement

Dear Sir/Madam

Angela JV – Statement of Northern Territory Government

Paladin Energy Ltd (**Paladin**) is surprised by the announcement that the Northern Territory Government would not support the establishment of a uranium mine at Angela Pamela, south of Alice Springs.

The Northern Territory Government did not consult with Paladin in advance of the announcement. Neither has Paladin received any indication that the government might have adopted this view.

In December 2006, the Northern Territory Government invited interested mining companies to apply for an exploration licence for the Angela and Pamela sites. Of the 37 expressions of interest received, in February 2008 the Paladin and Cameco joint venture was selected by the Northern Territory Government as the preferred applicant. Management plans were submitted and approved and, in October 2008, the government granted the Paladin-Cameco joint venture an exploration licence.

Relying on encouragement and positive support from the government, Paladin pursued the joint venture in good faith, honouring the undertakings that it made during the selection process and spending many millions of dollars. The project is still at the exploration phase and work has been progressing with environmental and hydrogeological studies. It was always Paladin's expectation that the government would consider the project on its merits, which would include appropriate scientific studies and assessments.

Paladin is considering its options in advance of further discussions with the Northern Territory Government.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO