



PALADIN ENERGY LTD

ACN 061 681 098

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29 September 2011

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

By Electronic Lodgement

Dear Sir/Madam

Paladin Energy Ltd Successfully Completes A\$68.2M/C\$69.2M Institutional Placement of Shares

PERTH, WESTERN AUSTRALIA -- Paladin Energy Ltd (ASX Code: PDN; TSX Code: PDN) ("Paladin" or the "Company") has completed the bookbuild for a private placement to institutional and accredited investors of 56.9M ordinary shares (representing 7.3% of Paladin's existing issued capital) to raise approximately A\$68.2M/C\$69.2M.

The placement was priced at A\$1.20 (C\$1.22) per share which represents a 8.4% discount to Paladin's last closing price on ASX. The new shares will rank equally with existing shares.

RBC Capital Markets and UBS AG, Australia Branch acted as Global Joint Lead Placing Agents to the placement.

John Borshoff, Paladin's Managing Director/CEO commented, "Paladin has delivered consistent growth in production over the past five years. It is now acknowledged as one of the leading independent companies in the uranium sector. This has been recognised by its peers (as demonstrated by the range of parties interested in securing equity participation at the project level) and the investment community (as demonstrated by the strong institutional support of today's transaction, despite significant volatility in global equity markets). We believe today's raising, together with future operational cash flows and proceeds from our current strategy to monetise certain non producing assets, will provide significant financial flexibility and provide a sound platform for the Company to achieve its corporate objectives".

Accordingly, the Company hereby requests that the trading halt on its securities be immediately lifted.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO

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This information is available on our website at www.paladinenergy.com.au

About Paladin Energy Ltd

Paladin is listed on the Australian Securities Exchange and the Toronto Stock Exchange under the symbol "PDN". Paladin is a uranium production company with two operating mines in Africa, projects in Australia, Canada and Niger and a strategy to become a major uranium mining house. Since 1998, during a period of sustained downturn in global uranium markets, Paladin accumulated a quality portfolio of advanced uranium projects each having production potential.

The Langer Heinrich Uranium Mine in Namibia is operational with a targeted annual production of 5.2Mlb U₃O₈ and a mine life maintainable at approximately 20 years. Langer Heinrich is expected to reach nameplate production capacity in the 1st quarter of 2012. The Kayelekera Uranium Mine in Malawi is an operating mine that recently underwent a plant upgrade and is currently operating at 90% of nameplate capacity. Paladin is forecasting total group U₃O₈ production of 7.4 to 7.9Mlb in FY2012.

Paladin's ordinary shares were in trading halt on ASX yesterday and will re-commence trading on ASX at market open today.

Additional Notes:

This news release does not constitute an offer of shares for sale in the United States, or in any other jurisdiction in which such an offer would be illegal. The shares referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States unless the shares are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.

Caution regarding forward-looking information: Except for historical information contained in this news release, this news release contains "forward-looking statements" and "forward-looking information" within the meaning of securities laws of applicable jurisdictions. The forward-looking statements and forward-looking information include, but are not limited to, statements with respect to Paladin's intentions with respect to the uses for the funds raised in the placement, Paladin's strategies to monetise certain non-producing assets and to become a major uranium mining house, expectations regarding Paladin's portfolio of uranium projects, the targeted annual production and mine life of Paladin's Langer Heinrich Uranium Mine in Namibia, and the projected total group U₃O₈ production for the 2012 financial year. Assumptions upon which such forward-looking statements and forward-looking information are based include that the Langer Heinrich Stage III expansion and the expansion of exploration and pre-development programs in Australia, Niger and Canada will proceed as planned, and that the Langer Heinrich Uranium Mine and the Kayelekera Uranium Mine will meet their respective targeted annual full production rates. Management believes these assumptions are reasonable. However, the forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Paladin, and its officers, employees, agents or associates. Such risks, uncertainties and other factors include, but are not limited to: risks related to mining operations, including political risks and instability and risks related to international operations, actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, as well as those factors discussed in the section entitled "Risk Factors" in Paladin's most recent Annual Information Form available under Paladin's profile on SEDAR at www.sedar.com. Although Paladin has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements and forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Actual results, performance or achievements may vary materially from those suggested by such forward-looking statements and forward-looking information. Readers are cautioned not to place undue reliance on forward-looking statements and forward-looking information and Paladin assumes no obligation to update such information, except as required by applicable law.