



## PALADIN ENERGY LTD

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### **Paladin Energy Ltd Announces Proposed Institutional Placement of Shares**

28 September 2011

PERTH, WESTERN AUSTRALIA - Paladin Energy Ltd (ASX: PDN, TSX: PDN) ("Paladin") today announced that it intends to undertake a non-underwritten institutional private placement of ordinary shares ("Placement"). The Placement is expected to raise up to \$70 million.

The Placement will be made pursuant to exemptions from registration and prospectus requirements under applicable securities laws and is subject to receipt of all applicable regulatory approvals, including approval of the Toronto Stock Exchange.

Funds raised will primarily be used to strengthen Paladin's balance sheet to ensure the Company is well placed to meet all future commitments and pursue identified growth initiatives.

The bookbuild process for the Placement will occur during a trading halt in Australia which is expected to remain in place until the markets re-open on the ASX on Thursday, 29 September 2011.

Paladin will not be seeking shareholder approval for the issue of new shares under the Placement.

#### **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 U<sub>3</sub>O<sub>8</sub> 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 U<sub>3</sub>O<sub>8</sub> production of 7.4 to 7.9Mlb in FY2012.

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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 to undertake a private placement of shares and the uses for the funds raised, Paladin's strategy 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 full operational capability of Paladin's Kayelekera Uranium Mine in Malawi. Assumptions upon which such forward-looking statements and forward-looking information are based include that all regulatory approvals to the private placement will be obtained and all other conditions to completion of the transaction will be satisfied or waived, 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](http://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.