



PALADIN ENERGY LTD

ACN 061 681 098

Ref: 221115

9 June 2011

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

By Electronic Lodgement

Dear Sir/Madam

Paladin Energy Ltd – Clarifying Statement

In the past two days' trading, the share price of Paladin Energy Ltd (ASX: PDN) (the "Company" or "Paladin") has come under considerable selling pressure.

The Company is aware of market rumours relating to the status of the Langer Heinrich Stage 4 Expansion Feasibility Study, the Company's financing arrangements, potential capital raising and sale of the 6.71% shareholding held in Paladin by Newmont Mining Corporation ("Newmont").

The Company would like to clarify its position on these issues as follows:

- 1) **Stage 4 Expansion:** The LHM Stage 4 Feasibility Study is proceeding as scheduled and the Company anticipates a positive outcome from this Study. The Study is due for completion in the December quarter.
- 2) **Paladin Debt:** Paladin's financing facilities remain in good standing.
- 3) **Capital Raising:** Project financing for LHM Stage 3 Expansion is nearing finalisation, and is expected to be of similar tenor to the project financings undertaken for the previous Stages of Langer Heinrich. Paladin is not currently contemplating any further capital raisings of either debt or equity.
- 4) **Newmont Holding:** Newmont has indicated that it will retain its stake in Paladin in the near term. A mechanism is in place for orderly disposal of the Newmont stake, should Newmont decide to dispose of its holding. This has been detailed in earlier announcements by Paladin.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO

Caution Regarding Forward Looking Statements: Statements regarding the Company's plans to further develop the Langer Heinrich Mine, future capital raisings and the intentions of Newmont Mining Corporation are forward-looking statements that are subject to risks and uncertainties that may cause actual results to differ from those expressed or implied by such statements. There can be no guarantee such statements will be realised.

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