



PALADIN ENERGY LTD

ACN 061 681 098

Ref: 205120

21 February 2011

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

By Electronic Lodgement

Dear Sir/Madam

KAYELEKERA MINE PRODUCTION RESUMES

Further to our announcement 17th February informing of the 4 day shut down due to fuel shortages, Paladin Energy Ltd ("Paladin") advises that normal production will resume as scheduled on Monday 21st February at 6am local Malawi time. Regular diesel deliveries have resumed and scheduled plant maintenance which was brought forward was successfully completed.

Consultation with the Government of Malawi and the Company's fuel supplier resulted in diesel deliveries to Kayelekera resuming from Friday 18 February. Paladin is confident that future fuel supply has been addressed with adequate adjustments made to the supply process.

Current guidance remains unchanged as the plant maintenance undertaken had been scheduled for March 2011 and Kayelekera February drummed production to date has exceeded the Company's internal target.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO