



PALADIN ENERGY LTD

ACN 061 681 098

Ref: 201142

1 February 2011

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

By Electronic Lodgement

Dear Sir/Madam

Paladin Energy Ltd Completes Acquisition of Aurora Uranium Assets

Paladin is pleased to advise that it has today completed its previously announced acquisition of the uranium assets of Aurora Energy Resources Inc. ("**Aurora**") from Fronteer Gold Inc. (TSX-FRG, AMEX-FRG) ("**Fronteer**") (see December 20, 2010 news release). Paladin now holds title to significant uranium assets within the highly prospective Central Labrador Mineral Belt of Eastern Canada, totalling 83.8Mlb of Measured and Indicated resources and 53.0Mlb of inferred resources across six deposits, including the Michelin, Jacques Lake, Rainbow, Nash, Inda and Gear deposits and has secured control of the most prospective ground within this belt.

The transaction was completed for a total consideration of C\$260.87M via the issuance of 52,097,937 ordinary shares in Paladin. This values the current resources at US\$1.90/lb.

With completion of this transaction, Fronteer now holds approximately 6.7% of Paladin's ordinary shares. The shares issued to Fronteer are subject to a four-month hold period under Canadian securities laws. Fronteer has also entered into an agreement that sets out procedures designed to ensure that any disposition of shares by Fronteer will occur in an orderly fashion. A copy of this agreement will be annexed to the Form 603 to be lodged by Paladin.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO