



PALADIN ENERGY LTD

ACN 061 681 098

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ASX Market Announcements
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

By Electronic Lodgement

Dear Sir/Madam

Malawi NGOs Call Off Kayelekera Protest

Paladin Energy Ltd ("Paladin") is pleased to advise that the demonstration proposed this week near the Company's Kayelekera Mine ("KM") in Malawi which has been widely reported has been cancelled by the organisers.

Paladin reported on 01 November 2012 that two local non-government organizations, "Karonga Youth for Justice and Development" (KYJD) and "Karonga Business Community," had announced their intention to hold a demonstration near Kayelekera during 14-17 November over allegations made by the Chairman of "Karonga Business Community", Mr Wavisanga Silungwe, that Paladin had failed to honour its Social Development commitments to the community. Mr Silungwe repeatedly has made various unsubstantiated allegations against the Company, which Paladin has refuted.

The KYJD has informed Paladin that, following a meeting of community groups in Karonga held on Sunday, 11 November 2012, the decision was taken to cancel this week's proposed demonstration.

In a written statement, KYJD said that following meetings with the Principal Secretary for the Ministry of Energy and Mining, and meetings with senior representatives of Paladin, the KYJD have understood that they were misinformed and that the claims were not a true reflection of what Paladin had agreed to carry out for the people of Karonga.

The KYJD have undertaken as soon as possible to disseminate information to the community through newspapers, radio and other means available in order to make people aware that the intended demonstrations will not be conducted.

Other community groups have also informed Paladin that they will not participate in protest action against the Company.

Paladin's Managing Director/CEO, Mr John Borshoff, said that Paladin had met with representatives of Karonga community groups and provided information in relation to the various claims by Mr Silungwe. He said that, while the Company did not think the planned protest would have had any material effect on KM operations, Paladin was nevertheless very pleased at the response by community groups in calling off the demonstration when they realised that they had been misinformed and misled. "It is unfortunate this this should have occurred in the first place, but local organisations involved have reacted graciously and responsibly and I thank them for that," Mr Borshoff said. Paladin has been informed that Mr Silungwe has been banned from speaking on behalf of other Karonga organisations in the future.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO