



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

Labrador Inuit Lands Act Amendment – Aurora Uranium Assets, Labrador, Canada

Paladin is pleased to announce that, as foreshadowed in the company's previous announcement of 15 December 2011, the Nunatsiavut Government has enacted an amendment to the Labrador Inuit Lands Act, lifting the moratorium on the working, production, mining and development of uranium on Labrador Inuit Lands. The Nunatsiavut Government is a regional, aboriginal government formed in 2005. Five of Paladin's six deposits fall within the Labrador Inuit Lands, the area administered by the Nunatsiavut Government.

Paladin holds title to significant uranium resources through its wholly owned subsidiary Aurora Energy Ltd. ("Aurora") located within the highly prospective Central Labrador Mineral Belt (CMB) of Eastern Canada. This includes 15.1Mlb U₃O₈ at a grade of 0.08% of Measured mineral resources, 68.7Mlb U₃O₈ at a grade of 0.10% Indicated mineral resources and 53.0Mlb U₃O₈ at a grade of 0.08% of Inferred mineral resources, using a cut off of 0.02% U₃O₈ for open pit resources and 0.05% U₃O₈ for underground, across the six deposits: Michelin, Jacques Lake, Rainbow, Nash, Inda and Gear

Drilling is expected to start in the third quarter of CY2012 and will focus on infill and extension drilling of the Michelin uranium deposit. Expansion of the current resource base is expected both by drilling within the current deposit perimeter where significant areas remain untested and extensions along strike. Clearance will also be sought for re-opening the Michelin adit constructed by British Newfoundland Exploration (Brinex), in order to obtain samples for metallurgical purposes and to better understand the continuity of the mineralisation and the geological setting of this deposit.

Previous exploration by Brinex and Aurora has demonstrated the high prospectivity of the claim package beyond the Michelin area, and there are several high priority areas that require ground-based geophysical surveys and geological mapping as well as reassessment of existing drilling data in order to identify new drill targets. This work will be carried out in tandem with the drilling at Michelin.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO

The information in this Announcement relating to exploration and mineral resources is, except where stated, based on information compiled by David Princep B.Sc who is a Fellow of the AusIMM. Mr Princep has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", and as a Qualified Person as defined in NI 43-101. Mr Princep is a full-time employee of Paladin Energy Ltd and consents to the inclusion of this information in the form and context in which it appears.