



PALADIN ENERGY LTD

ACN 061 681 098

19 November 2013

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

By Electronic Lodgement

Dear Sir/Madam

John Borshoff to continue as Managing Director and Chief Executive Officer to Dec 2014

Paladin Energy Ltd (Paladin) is pleased to announce that it has today finalised an agreement with John Borshoff for him to continue in the position of Managing Director and Chief Executive Officer until 31 December 2014, with an option for the parties to agree (having regard to agreed performance objectives) for a further 1 or 2 years. The Board recognises the vital importance of Mr Borshoff's contribution to the current and continuing strategic negotiations concerning a Langer Heinrich minority interest sale and debt reduction.

A summary of the material terms on which Mr Borshoff will be employed is set out below:

Term	Mr Borshoff's employment will continue on the terms and conditions in the new employment contract from 27 November 2013 until 31 December 2014, with an option for the parties to agree (having regard to agreed performance objectives) to renew the contract for a further period of 1 or 2 years to 31 December 2015 or 31 December 2016 respectively.
Base salary	<p>Initially \$1,382,000.00 (including superannuation) being the current reduced salary as recently advised to the market.</p> <p>If at any time during the term the month-end U₃O₈ spot price as published by UxC equals or exceeds US\$45/lb for a period of 3 consecutive months, and Mr Borshoff achieves other key strategic objectives as agreed between Mr Borshoff and the Board, Mr Borshoff's base salary will be reinstated to \$1,533,600 (including superannuation), with effect from the day after the end of the said 3 consecutive months.</p> <p>If the option to extend the term is exercised, then the Board will review the base salary at 31 December 2014 if the end date is later than that date, and 31 December 2015, if the end date is later than that date. At the time of the base salary review, there will be an adjustment of at least the CPI percentage change, unless the CPI percentage change is a negative figure.</p>
Short term incentive	Paladin may grant Mr Borshoff an annual bonus of up to 100% of his base salary (excluding superannuation) at the Board's discretion upon recommendation from the Remuneration Committee, subject to certain key performance indicators being met, as set by the Board on an annual basis.
Long term incentive	Subject to shareholder approval, Mr Borshoff may be invited to participate in Paladin's Performance Rights Plan.

Termination

Mr Borshoff must provide 3 months' notice of resignation. Paladin may terminate Mr Borshoff's employment at any time without notice if Mr Borshoff:

- commits any act which in the reasonable opinion of Paladin detrimentally affects Paladin or any Group Company including, but not limited to, an act of material dishonesty, fraud, wilful disobedience, serious misconduct, wilful negligence, incompetence in the performance of his duties or breach of duty;
- is charged with any serious criminal offence which is likely to affect adversely Paladin or any Group Company's reputation;
- wilfully, persistently or materially fails to perform or observe any lawful direction or instruction by Paladin, or fails to perform or observe the material terms of the employment agreement or Paladin's policies or procedures, and does not remedy that failure to Paladin's satisfaction within thirty (30) days of receiving notice from Paladin specifying the failure; or
- commits any act of bankruptcy or compounds with creditors.

Otherwise, Paladin may terminate Mr Borshoff's employment at any time by giving 6 months' notice in writing. There is no provision to make payment in lieu of notice, with the result that Mr Borshoff will be required to serve out any notice period.

Subject to compliance with applicable approvals, legislation and regulatory requirements, in consideration for Mr Borshoff's service to the company, on termination, Mr Borshoff will receive a benefit equal to the average of his annual base salary for the 3 years preceding termination, except where his employment is terminated without notice for serious misconduct.

Yours faithfully
Paladin Energy Ltd



Rick Crabb
Chairman