



PALADIN ENERGY LTD

ACN 061 681 098

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15 November 2013

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

By Electronic Lodgement

Dear Sir/Madam

Clarification on September Quarterly Investor Presentation

Following the release to the ASX of the September quarterly investor power point presentation on 14 November, Paladin would like to clarify the status of two optimisation projects which may have been misinterpreted from the information provided.

Kayelekera Mine - Acid Recovery Project (Nano technology)

Wet commissioning of the acid recovery plant at Kayelekera was completed at the end of October 2013. Post commissioning, the plant has operated on a semi-continuous basis while various optimisation initiatives have been tested and has already demonstrated 85 to 90% of the 30t per day nameplate acid recycle capacity. The plant has been down for minor commissioning repairs which are regarded as no more than teething issues and early indications are that the acid recovery project will meet its technical and economic design criteria making the site self-sufficient in acid.

The reference to March 2014 in slide 13 of the presentation only refers to the grid power.

Langer Heinrich Mine - Hydrosort Project

Commissioning of the Hydrosort at Langer Heinrich was carried out during September and October 2013. During this period of commissioning, several optimisation initiatives were identified and are currently being implemented. These initiatives are primarily focused on better optimising the integration of the Hydrosort circuit into the existing Stage 3 front end circuit. In parallel with this, several simple but necessary modifications to the flow sheet have been completed to improve circuit flexibility. Further operational testing and optimisation is underway and continuous operation is scheduled for completion towards the end of November 2013.

Preliminary performance data produced during and since commissioning indicates that this project will also exceed its technical and economic design criteria, particularly in terms of both throughput and recovery.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO