



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

Completion Tests Satisfied at Langer Heinrich & Kayelekera Mines

Paladin Energy Ltd ("**Paladin**") is pleased to announce the satisfaction of the Completion Tests (CT) under both the Langer Heinrich Mine ("**LHM**") project finance facility and the Kayelekera Mine ("**KM**") project finance facility. The KM CT approval is conditional upon a minor amendment to an existing agreement and financial model which Paladin has accepted, with formal documentation anticipated by no later than 28 February 2013.

The CT for both project finance agreements requires a set of production tests to be satisfied over a 90 CT Period. Both mines have now completed these test periods with the Lenders' Independent Technical Consultants verifying the results.

As a result of passing the CT and in accordance with the facility agreements, a range of reporting requirements will fall away together with a number of financial undertakings which previously applied to Paladin, providing greater commercial flexibility at a corporate level. There is also now greater flexibility with regards to voluntary prepayments and distributions under both facility agreements. The margin over Libor for the Commercial Bank Facility portion of the KM facility will reduce by 0.50% (3.00% to 2.50%) whilst the margin over Libor for the LHM facility will reduce by 0.50% (3.75% to 3.25%).

The Lenders' satisfaction of the production test parameters at each site, based on the Independent Technical Consultant's verification, further supports the consistent operating performance at both mines. Langer Heinrich has been operating at or above nameplate production and Kayelekera has been operating at or near nameplate for over three quarters. Paladin is pleased with the Lenders' independent verification of the operating achievements at both sites.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO