



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

Product Shipment Incident near Kayelekera Mine, Malawi

Paladin Energy Ltd (**Paladin** or **the Company**) wishes to advise that a minor incident occurred on Monday, 10 February 2014 during the routine transportation of Uranium Oxide Concentrate (**UOC**) from the Company's Kayelekera Mine (**KM**) in northern Malawi for export through the Port of Walvis Bay in Namibia.

A truck operated by a shipping contractor and carrying a single container of UOC toppled on its side on the verge while negotiating a curve in the road. The incident occurred about eight kilometres from KM as the truck was travelling in a convoy of 5 trucks with an accompanying support vehicle. The driver was not harmed; however his co-driver suffered minor injuries and was treated at the scene by the KM Medical Response Team.

A Spill Response Team (**SRT**) proceeded immediately from KM and recovered the container, which was buckled and holed by a tree stump in the incident. The SRT recovered a small quantity of UOC from the scene and also removed soil which had come into contact with the product for disposal at KM's tailing storage facility. The accident site and surrounding area was subsequently subjected to a radiological check to ensure that it was thoroughly cleaned. The container is back in the product packaging compound at KM awaiting repacking of the drummed UOC into a new container. The remaining four trucks in the convoys resumed the journey to Walvis Bay, where they have now arrived. This is the first incident involving a UOC container to occur in 92 product shipments transported from KM to the Port of Walvis Bay.

The Company informed Malawi Police and appropriate regulatory authorities of the incident. An environmental team from the country's Atomic Energy Regulatory Authority (**AERA**) visited the scene on Wednesday, 12 February 2014, and informed the Company that AERA was satisfied with the Company's handling of the incident.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director/CEO