



PALADIN ENERGY LTD

ACN 061 681 098

Ref: 399272

27 August 2015

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

By Electronic Lodgement

Dear Sir/Madam

June 2015 Full Year Conference Call Presentation

Attached please find the presentation in relation to the year end and June quarter results conference call and investor update to be held tomorrow morning at 6.30am Perth time. Full details in relation to the call were announced on 24 August 2015.

Yours faithfully
Paladin Energy Ltd

ALEXANDER MOLYNEUX
Interim CEO



US\$M

- Cash and cash equivalents of **US\$183.7M**
- Cash outflow from operating activities of **US\$24.7M**
- Cash outflow from investing activities of **US\$15.6M**
- Cash inflow from financing activities of **US\$137.6M**

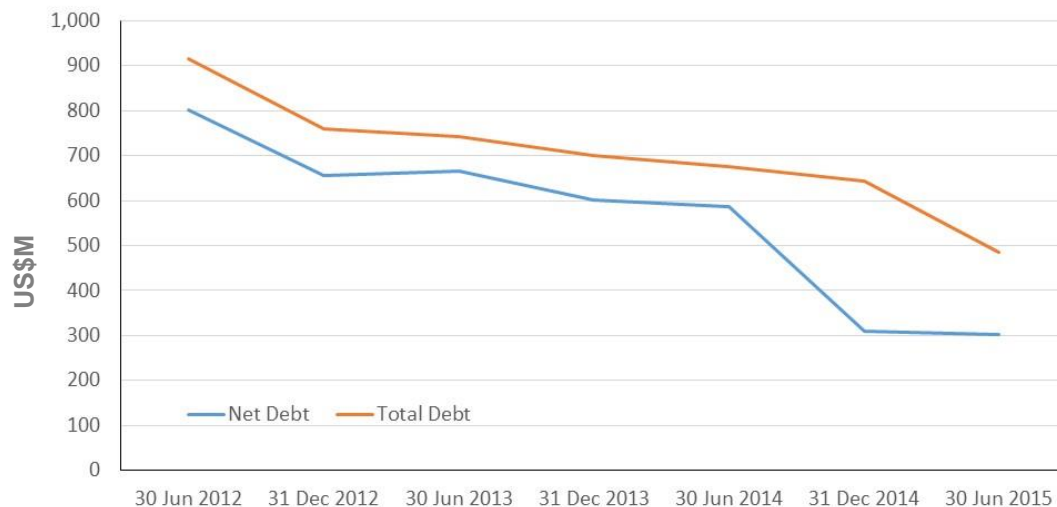




Capital Management

- Total debt reduction¹
 - US\$429.6M since June 2012
 - US\$189.9M during FY2015
- Next maturity is Q4 FY2017
- Outlook for improved operating cash flows
- Strategic initiatives to be considered

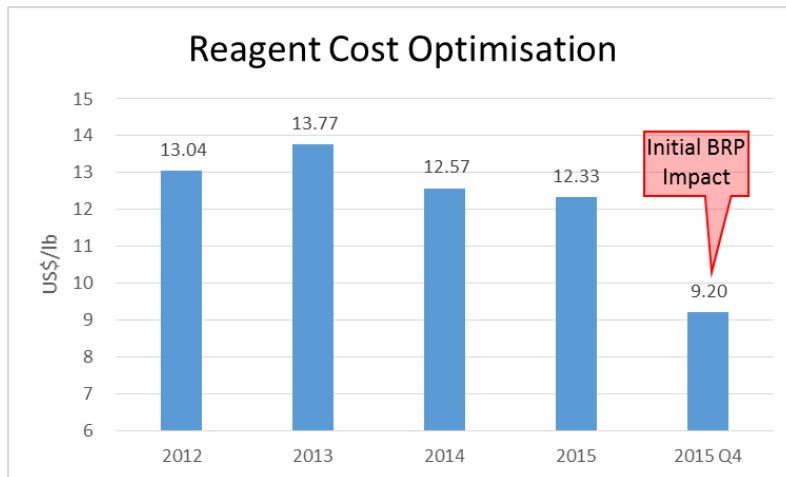
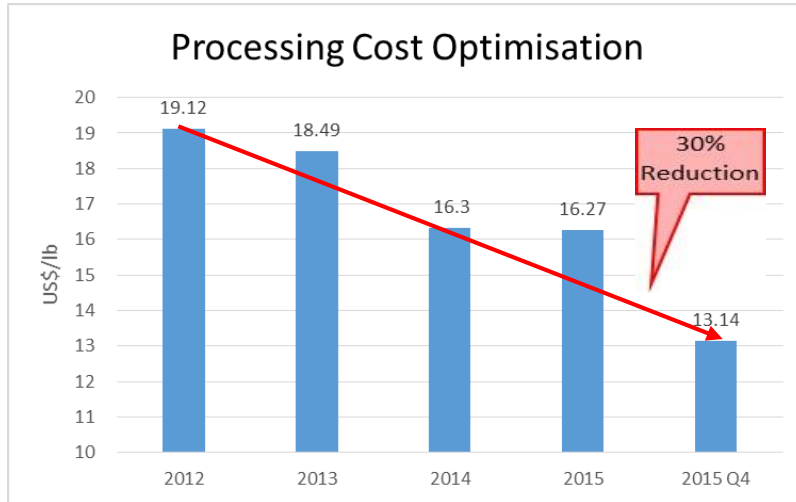
Debt Reduction FY2012 to FY2015



Breakdown of Key Debt Instruments ¹	US\$M
LHM Syndicated Facility Agreement	61
Convertible Bonds due April 2017	274
Convertible Bonds due March 2020	150
Total Debt	485

¹Reductions based on face value of debt

Optimisation a Core Competency



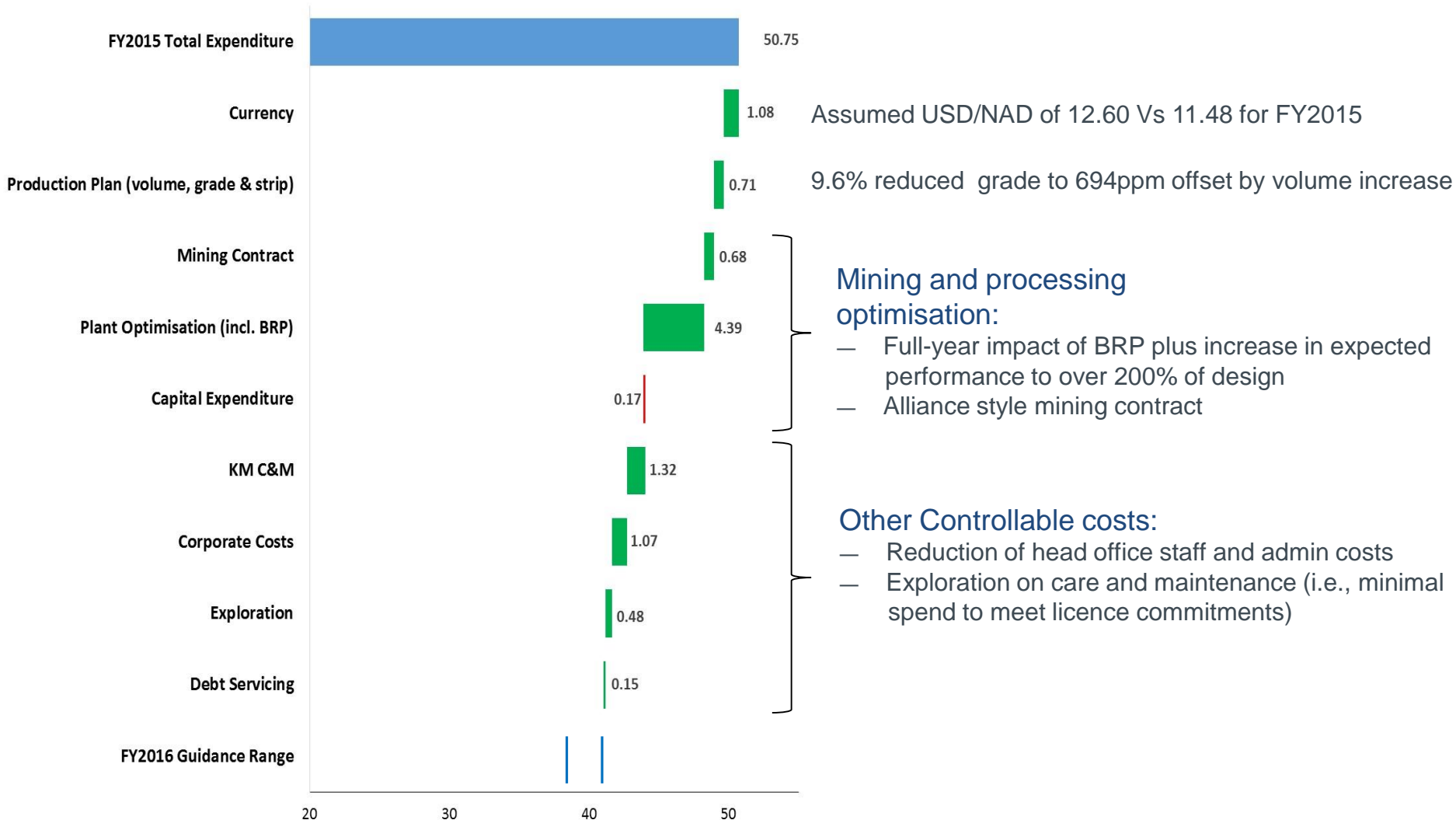
- Paladin maintains a world class technical services team focused on cash flow optimisation
- FY2015 key project delivered was BRP
 - ✓ Capital Cost of US\$6.8M
 - ✓ 93% utilisation in first full quarter of operation – likely to achieve >95%
 - ✓ Recovery of sodium bicarbonate 118% of design by end of first quarter
 - ✓ Total direct cost saving projected to be >US\$3/lb (>US\$15Mpa)
 - ✓ Additional secondary benefits

Optimisation a Core Competency

FY2016 Cash Flow Optimisation Initiatives



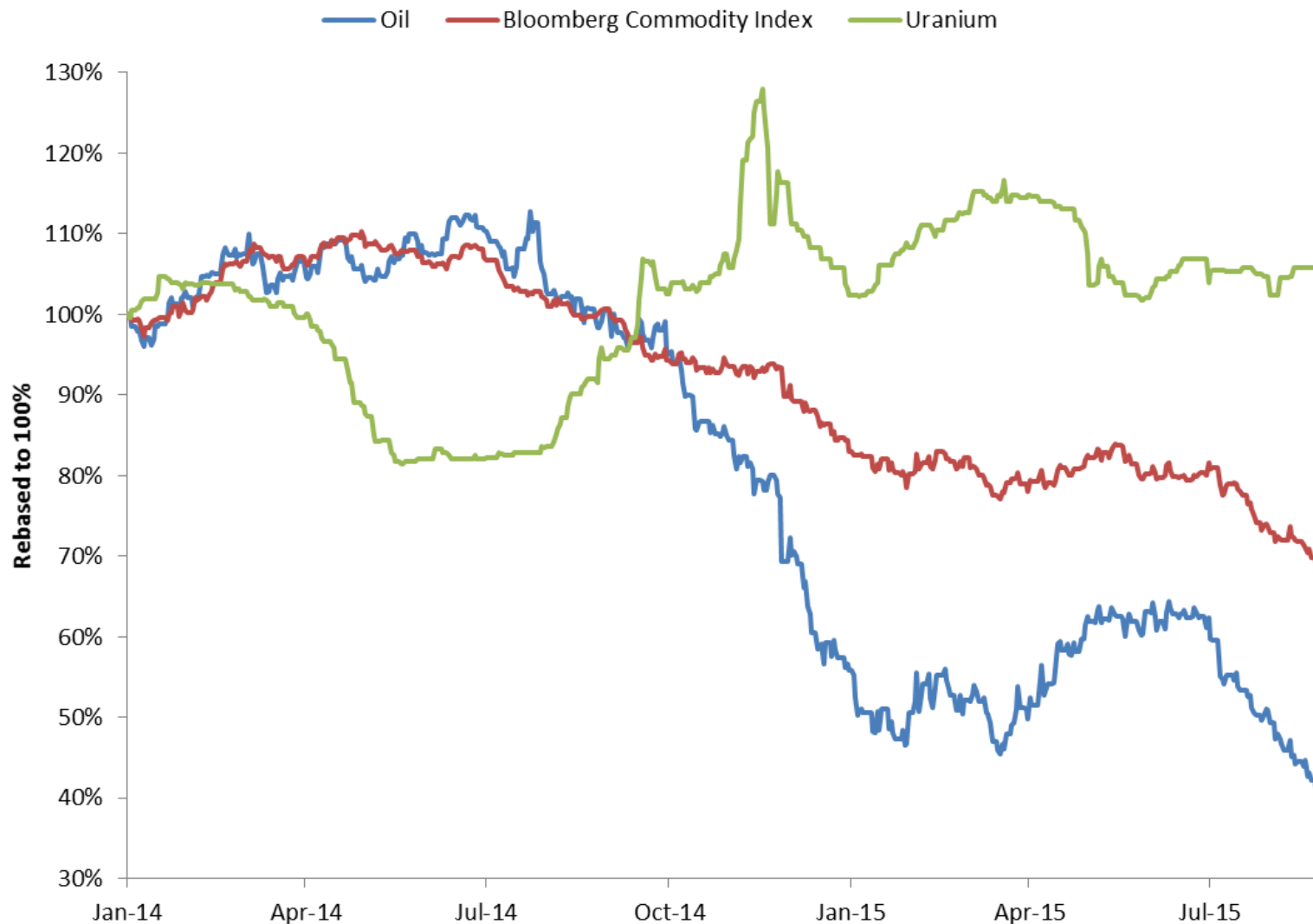
All in total expenditure including annualised impact and optimisation initiatives¹



¹Includes: Operating cash flows; investing cash flows; and debt servicing (including principal and interest payments on the LHM syndicated facility agreement)

Best Leverage to Uranium Upside

Uranium is not affected by recent commodity rout



Best Leverage to Uranium Upside

Uranium has a positive outlook and Paladin has leverage



Source: TradeTech for historical spot. Analysts' forecast is based on average of 16 analyst forecasts as shown in latest available reports (analysts include: BAML; BMO; Cantor; CIBC; CIMB; Comark; CS; Dundee; JPM; Raymond James; RBC; RFC Ambrian; Salman; Scotiabank; TD; and UBS).

- Current situation is positive
 - Japan restart commenced 10 August
 - 2017 will see record nuclear power generation
 - 65 reactors under construction
 - 59% in Asia
 - Mined supply reduced 10% in 2014
 - Higher prices are needed
- Paladin is leveraged
 - Publicly-listed uranium pure play exposure
 - FY2016 85% spot-related exposure
 - FY2017 & FY2018 almost 100% spot related



PALADIN

1. Maximise LHM operating cash flows through optimisation initiatives that preserve the integrity of the long-term life of mine plan
2. Maintain KM and exploration on a “minimal expenditure, care and maintenance basis”
3. Minimise corporate and administrative costs
4. Consider strategic initiatives with respect to partnerships, strategic investment, funding and corporate transactions



**5.0 - 5.4Mlbs
Production**

US\$4/lb

ASP Premium to spot

LHM C1 US\$25-27/lb

7-14% lower than FY2015

US\$19M

Corporate costs, KM care and maintenance and exploration –
US\$14M lower than FY2015

**US\$6M One-off
Restructuring Charges**

In Q1 FY2016

Sales delivery timing, mine plan and restructuring costs forecast group cash balance US\$120-130M 30 September 2015 before rebuilding to finish neutral for FY2016



Appendix

Langer Heinrich Project Update



- **Production FY2015**
 - 5.037Mlb
 - recovery 87.6%
 - Bicarbonate Recovery Project (BRP) commenced April 2015 operating 120% of design
 - positive change to plant performance immediate
 - significant reduction in reagent usage
 - positive impacts in other areas of the plant provide consequential benefits
 - C1 Cost US\$29.0/lb

- **C1 Cost being reduced in FY2016**

- C1 cash cost \$25-27/lb

- **Optimisation and innovation for further unit cost reduction**

- further benefits from the BRP project expected
- other focal areas:
 - process recovery
 - operator training and operating systems
 - process plant utilisation

- **Guidance FY2016 of 5.0 - 5.4Mlb**

	Actual FY2015	Actual Jun'15 Qtr
Ore processed	3.4Mt	0.89Mt
Ore feed grade	768ppm	778ppm
Recovery	87.6%	87.8%
U ₃ O ₈ production	5.04Mlb	1.34Mlb



■ Kayelekera Mine

- C&M routines established and costs coming down
- restart feasibility study near completion
- discharge of water continued successfully during the year



■ Michelin Deposit Canada

- successfully upgraded Michelin deposit Measured & Indicated mineral resource by 25% to 84Mlb U_3O_8 , with 23Mlb U_3O_8 remaining in Inferred
- historic NROP (Non Resident Ownership Policy) exemption granted to Paladin to majority own and develop operation at Michelin



■ Manyingee WA

- advancing toward Field Leach Trial (FLT)
- significant project enhancement with new acquisition of Carley Bore





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