



**PALADIN ENERGY LTD**  
(subject to deed of company arrangement)  
ACN 061 681 098

22 December 2017

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

*By Electronic Lodgement*

**SALE OF EDF CLAIMS AND ASX LISTING RULE 10.1 WAIVER**

**Sale of EDF claims**

Paladin Energy Limited (subject to deed of company arrangement) (**Company** or **Paladin**) has been informed that Electricité de France S.A. (**EDF**) has sold its claims against Paladin, including its claims against the certain Canadian subsidiaries that own 60.1% of the Michelin Project.

Paladin understands that the claims have been sold to Deutsche Bank AG, who may seek to sell down some or all of the purchased claims to other investors. Paladin is yet to receive specific details of the sale.

Accordingly, EDF is no longer a creditor of Paladin and its subsidiaries and has withdrawn its opposition to the deed of company arrangement dated 8 December 2017 (**DOCA**). The deed administrators are not aware of any other creditors who are seeking to challenge the DOCA.

Paladin is not aware of the intentions of Deutsche Bank AG (or any other purchasers of EDF's claims) for the guarantees given by Paladin's Canadian subsidiaries (see announcement dated 21 December 2017).

**ASX Listing Rule 10.1 waiver**

As previously announced, the proposed restructure is conditional on, among other things, Paladin raising US\$115 million pursuant to the issue of new secured notes (**New Notes Issue**) and Paladin receiving certain regulatory exemptions and waivers, including from ASX Listing Rule 10.1.

Paladin is pleased to announce that it has now received a waiver of ASX Listing Rule 10.1 to permit certain subscribers in the New Notes Issue, who may become substantial shareholders of Paladin, to obtain the benefit of the security that will be granted over Paladin's assets without shareholder approval. The waiver has been granted subject to certain standard conditions for a waiver of this kind, including a condition that the security include a term that if an event of default occurs the holders of the New Notes cannot acquire any legal or beneficial interest in Paladin's assets, or otherwise deal in Paladin's assets, without Paladin first having complied with any applicable ASX Listing Rules.

As required by one of the conditions of the waiver, Paladin currently anticipates repaying the funds advanced under the New Notes Issue (plus interest) upon maturity of those notes in 5 years' time through utilising cash reserves, by drawing down on other facilities available to Paladin at that time, by completing

an equity capital raising, or through any combination of the above. Given the long-dated maturity of the New Notes, the exact source of funds for repayment is not definitively known at this time. The ability of Paladin to repay all or part of the New Notes using cash reserves will be largely dependent on the prevailing uranium price between now and when the New Notes mature, among other matters.

Paladin notes that the waiver was required due to the technical timing of the issue of the New Notes, transfer of shares upon the Court approving the section 444GA application and the grant of security to the holders of the New Notes. As previously announced by Paladin, prior to administrators being appointed Paladin sought to raise funds through the equity markets and the sale of a minority stake in Langer Heinrich. Ultimately these initiatives did not proceed and administrators were appointed. The proposed restructure pursuant to the DOCA, which involves Paladin raising additional funds from persons who may technically be ASX Listing Rule 10.1 parties, is the only proposal received by the administrators to date. Accordingly, in order to prosecute the DOCA, Paladin has sought to raise additional funds from an ASX Listing Rule 10.1 party.

Paladin will provide the market with further updates as they become available.

Matthew Woods

for and on behalf of

**PALADIN ENERGY LIMITED (SUBJECT TO DEED OF COMPANY ARRANGEMENT)**

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