



PALADIN ENERGY LTD

ACN 061 681 098

19 April 2018

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

By Electronic Lodgement

Dear Sir/Madam

CANADIAN SUBSIDIARIES: NOTEHOLDER CONSENT

Paladin Energy Ltd (**Paladin**) refers to its previous announcements regarding the US\$115M new 2023 secured notes issued on 25 January 2018 (**Notes**) and the announcement dated 22 December 2017 regarding the sale by EDF of its claims against certain of Paladin's Canadian subsidiaries that own the Michelin Project (**Michelin Security**). Paladin is currently in discussions with the parties that now own interests in the Michelin Security (**EDF Claimants**) with a view to negotiating a final agreement for the structure of the claims and the Michelin Project. As of today, discussions are ongoing and there has been no formal agreement.

Under the terms of the Notes, Paladin has launched a consent solicitation procedure seeking noteholder consent to waive any default or event of default with regards to the Michelin Security. Specifically the consent solicitation seeks waivers and to confirm that the Notes do not become immediately due and payable in connection with or as a result of, in all cases:

- the proceedings or processes, including bankruptcy, or any proposal in respect of the relevant Canadian subsidiaries pursuant to the *Bankruptcy and Insolvency Act* (Canada); and/or; and
- any step, omission, exercise or enforcement of the EDF Claimants' rights under the EDF arrangements or against the relevant Canadian subsidiaries.

The relevant Canadian subsidiaries are not guarantors or security providers under the Notes.

The extraordinary resolution requires the approval of:

- holders of more than 75% in aggregate principal amount of the Notes held by all noteholders represented and voting at a meeting of noteholders; or
- holders of more than 50% in aggregate principal amount of the Notes outstanding agreeing to the resolution in writing (ie. no meeting is required).

The meeting of noteholders has been convened to be held at 11.00am (London time) on 11 May 2018. If holders of more than 50% of the aggregate principal amount of the Notes outstanding submit voting

instructions in favour of the resolution, no meeting of noteholders will be held and the resolution will be held to have passed.

Paladin is not aware of any reason why the consents being sought would not be forthcoming and will continue to provide stakeholders with any material updates.

Yours faithfully
Paladin Energy Ltd

A handwritten signature in blue ink, appearing to read 'Alex Molyneux', is positioned above the printed name and title.

ALEXANDER MOLYNEUX
CEO