



PALADIN ENERGY LTD

BMO Capital Markets

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Alexander Molyneux

Chief Executive Officer



Disclaimer and Notes for JORC and NI 43-101 Mineral Resources and Ore Reserves

This presentation includes certain statements that may be deemed “forward-looking statements”. All statements in this presentation, other than statements of historical facts, that address future production, reserve or resource potential, exploration drilling, exploitation activities and events or developments that Paladin Energy Ltd (the “Company”) expects to occur, are forward-looking statements.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing and general economic, market or business conditions.

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In the following presentation, for those deposits that are reported as conforming to the Joint Ore Reserves Committee (JORC) 2004 or 2012 code, the terms Inferred Mineral Resources, Indicated Mineral Resources, Measured Mineral Resources, Ore Reserves, Proved Ore Reserves, Probable Ore Reserves and Competent Person are equivalent to the terms Inferred Mineral Resources, Indicated Mineral Resources, Measured Mineral Resources, Mineral Reserves, Proven Mineral Reserves, Probable Mineral Reserves and Qualified Person, respectively, used in Canadian National Instrument 43-101 (NI 43-101).

The technical information in this presentation that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by David Princep B.Sc. and Stephanie Raiseborough B.E., both of whom are Fellows of the Australasian Institute of Mining and Metallurgy. Mr. Princep and Ms. Raiseborough each have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”, and as Qualified Persons as defined in NI 43-101. Mr. Princep and Ms. Raiseborough consent to the inclusion of the relevant information in this announcement in the form and context in which it appears.

Some of the information in this presentation, in relation to the mineral resources and ore reserves for all deposits except Manyingee and Michelin, was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with JORC Code 2012 on the basis that the information that the estimates are derived from has not materially changed since it was last reported.



Paladin

PALADIN

A GLOBAL URANIUM LEADER

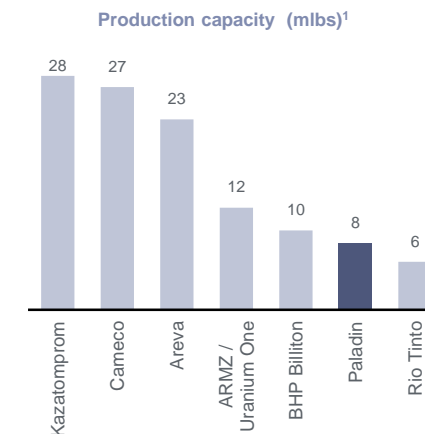
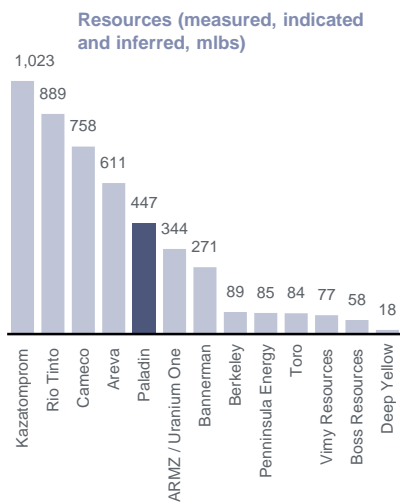
OWNS LANGER HEINRICH A STRATEGIC TIER ONE MINE

BALANCE SHEET STRENGTH AND FLEXIBILITY

BEST SENIOR LEVERAGE TO URANIUM UPSIDE



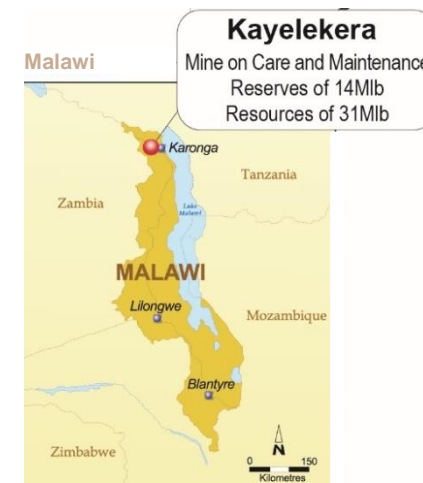
Global Uranium Leader



- Undeveloped projects
- Langer Heinrich (75%)
- Kayelekera (85%)

Attributable Reserves and Resources	
Proved + Probable	85.7mlb U ₃ O ₈
Measured + Indicated	248.7mlb U ₃ O ₈
Inferred	112.1mlb U ₃ O ₈

Resources and Reserves shown on the map represent 100% of the Resource of Reserve – not the participant's share, and are depleted for mining where appropriate



Source: Company filings

Note:

¹: Paladin figure based on attributable total production capacity



Langer Heinrich A Strategic Tier One Mine

First Quartile

All-in Cash Cost¹

Lowest cost open-pit mine globally¹

Top 10 Uranium Mine by Production²

4th largest open-pit

+20 Year Mine Life³

42.4mlb

Cumulative production



Mineral Resources depleted to 30th June 2017

Class	Tonnes Mt	Grade ppm	Metal Mlb
Measured	60.7	513	68.72
Indicated	21.5	459	21.72
Total M+I	82.2	499	90.44
Inferred	8.7	468	8.98
Stockpiles	33.9	381	28.47

Mineral Reserves depleted to 30th June 2017

Class	Tonnes Mt	Grade ppm	Metal Mlb
Proved	42.0	524	48.49
Probable	13.1	485	14.03
Stockpiles	33.9	381	28.47
Total	89.0	464	91.00

Source:

1. UxC Uranium Production Cost Study – August 2017

2. TradeTech Uranium Market Study – 2017: Issue 3 (based on 2016 production)

3. At current processing rates



Summary of Recent Recapitalisation

1



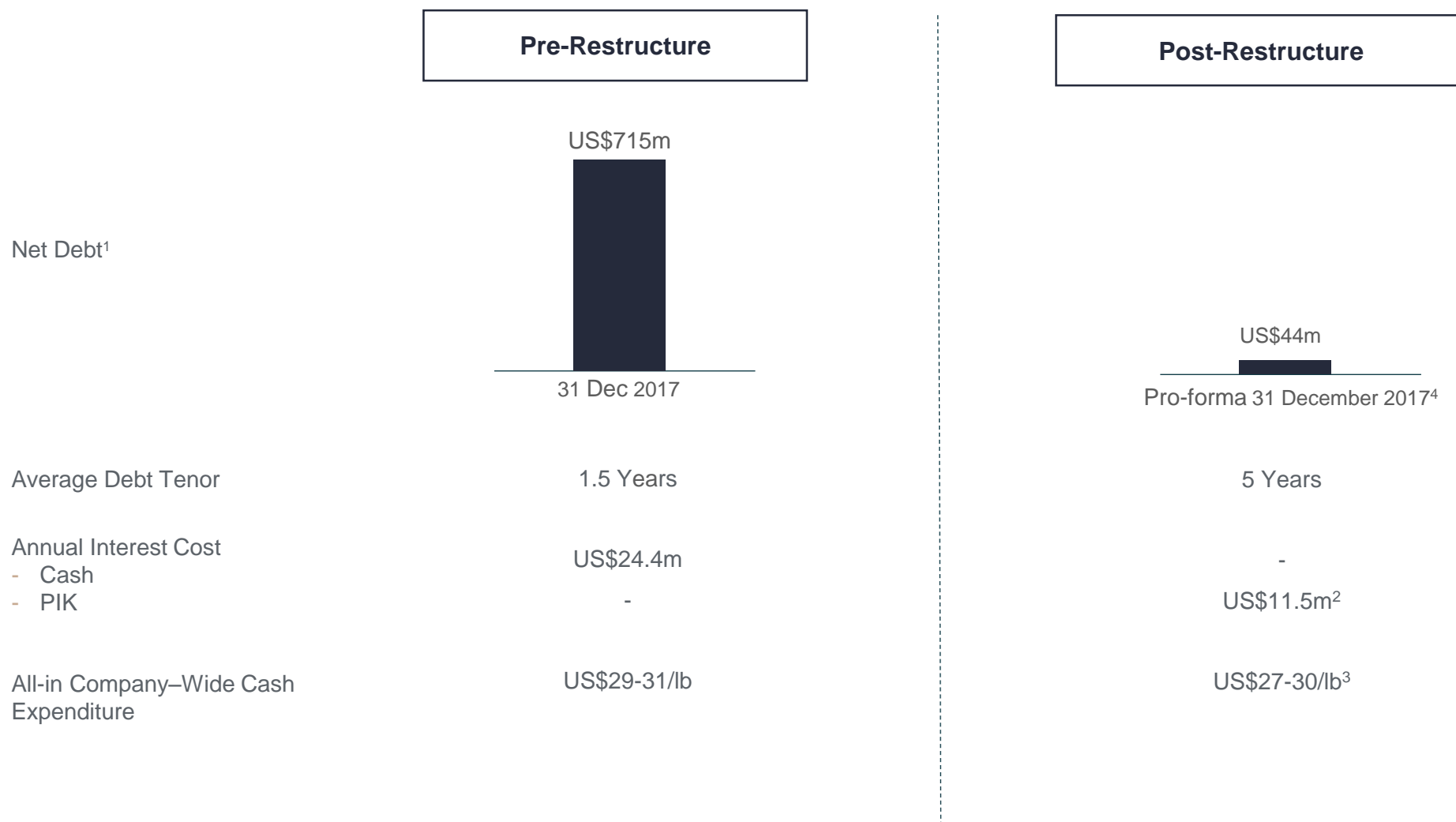
Key Elements of Recent Recapitalisation

- **Debt for equity swap** – Previous bondholders and former EDF pre-payment debt (note: EDF's claims were acquired by Deutsche Bank during the restructuring) were transferred 70% of existing pre-restructure Paladin shares outstanding pro-rata to the value of their claims
- **New US\$115M bond issue (New Notes)** – New senior secured bond with 5-year term (bullet) and interest of 9.0% (note: interest can be paid at 10.0% PIK instead of cash interest). New Notes subscribers were transferred 25% of existing pre-restructure Paladin shares outstanding
- **Underwriter shares** – New Notes issue was fully underwritten prior to completion and underwriters received (via transfer) 3% of existing pre-restructure Paladin shares outstanding
- **Pre-restructure shareholders** – Kept the remaining 2% of existing pre-restructure Paladin shares outstanding
- **Paladin acquisition of LHM working capital facility** – Paladin acquired the US\$60M LHM working capital facility using some of the funds from the New Notes issue
- **Extinguishment of all “subordinated claims” against Paladin**
- **New board** – All directors new other than the ongoing Chairman (Rick Crabb)
- **No material change in underlying assets or business** – Paladin continues to own 75% of its 'flagship' operating Langer Heinrich Mine in Namibia, together with Kayelekera Mine (care and maintenance) and its suite of pre-development properties in Australia and Canada. Paladin remains listed on the ASX under the ticker PDN
- **Recapitalisation completed** – All relevant elements to the transaction completed on or before 1 February 2018



Key Outcomes

Significant reduction in debt and debt servicing



¹ Based on face value of debt

² 10% PIK Toggle Notes. Cash coupon of 9% payable if certain cash flow thresholds met

³ Pre mining restart.

⁴ Notes US\$115m less pro-forma cash as at 31 December 2017 of US\$71m



Substantial Shareholders

Pre-Restructure

■ HOPU	14.6%
■ GIC	7.0%

Post -Restructure

■ Tembo	13.1%
■ Burlington Loan Management (Davidson Kempner)	12.4%
■ Value Partners	11.8%
■ Deutsche Bank AG and its affiliates	10.2%
■ JPMorgan	9.9%
■ HOPU	7.0%
■ China Investment Corporation	5.6%

During the restructure, Deutsche Bank purchased the EDF's claim and largely brokered it to equity-minded investors – Paladin now enjoys a stronger institutional equity base

New cornerstone investors Tembo and HOPU have helped relieve any potential overhang and help broaden the equity base



New Board of Directors

Mr Rick Wayne Crabb

B. Juris (Hons), LLB, MBA,
FAICD

Non-executive Chairman

- Mr Crabb holds degrees of Bachelor of Jurisprudence (Honours), Bachelor of Laws and a Master of Business Administration from the University of Western Australia. He practised as a solicitor from 1980 to 2004 specialising in mining, corporate and commercial law and advised in relation to numerous project developments in Australia, Asia and Africa.
- Mr Crabb now focuses on his public company directorships and investments.
- He is also a non-executive director of Eagle Mountain Mining Limited (since September 2017), Thundelarra Limited (since November 2017) and was a non-executive director of Golden Rim Resources Ltd (from August 2001 to November 2017) and was nonexecutive chairman of Otto Energy Ltd (from November 2004 to November 2015) and Lepidico Ltd (formerly Platypus Minerals Ltd) (from September 1999 to October 2015).

Mr David Noel Riekie

BEcon, Dip Acc, MAICD, CA

*Independent Non-executive
Director*

- Mr Riekie is an experienced ASX director at both the Executive and Non-Executive levels.
- Mr Riekie has operated in a variety of countries globally and throughout Africa; notably Namibia and Tanzania. David is Managing Director of junior explorer iCobalt Limited. David has throughout his career provided corporate, strategic and compliance services.
- Additional experiences were been gained during his time as a corporate reconstruction specialist with Price Waterhouse. David has overseen, exploration and resource development, scoping and feasibility studies, production, optimisation and rehabilitation initiatives.
- Mr Riekie has special interest in the energy and energy storage sector, primarily through energy storage minerals and commodities with specific knowledge of uranium (Uranio Limited), oil and gas (Hawkley Oil and Gas), graphite (Battery Minerals Limited) and cobalt (iCobalt Limited).
- David has previously operated as either Chairman or member of Audit, Risk, Remuneration and Nomination Committees.

Mr Daniel Harris

BSc

*Independent Non-executive
Director*

- Mr Harris is a seasoned and highly experienced mining executive and director and has most recently held the role of interim CEO and Managing Director of ASX listed Atlas Iron. Daniel remains an Non-Executive Director to the Atlas Iron Board and is Chairman of the Audit and Risk Committee.
- Mr Harris has been involved in all aspects of the industry for over 37 years and held both COO and CEO positions in Atlantic Ltd. As COO, Daniel was tasked with the start-up of the newly constructed vanadium plant, before moving to the CEO role.
- Mr Harris is also the former Vice President of EVRAZ Plc, responsible for their global vanadium business. EVRAZ plc is a £4.2 billion publicly traded steel, mining and vanadium business with operations in the Russian Federation, Ukraine, Europe, USA, Canada and South Africa.
- Prior to EVRAZ, Mr Harris held numerous positions with Strategic Minerals Corporation. Throughout his 30 years with the company, he advanced his career from junior engineer, through to CFO and CEO roles within the group.
- Mr Harris is also a Non-Executive Director of Perth based Australian Vanadium, a consultant and member of the Advisory Board of Black Rock Metals. Mr Harris is the Chief Advisor to the Board of Directors of Queensland Energy Minerals, QEM, based in Brisbane.

John Hodder

BSc, Bcom, MBA

Non-executive Director

- Mr Hodder is a Geologist by background with a B.Sc. in Geological Sciences and a BCom in Finance and Commerce from the University of Queensland
- Mr Hodder spent ten years in the mining and oil and gas industries before completing a M.B.A. at London Business School. John established the Commonwealth Development Corporation (CDC) mining, oil and gas investment department in 1995 and was responsible for its investment activities for some eight years.
- Mr Hodder has served as a director of a number of junior mining companies and has significant experience of operating and investing in Africa. John also worked at Suncorp and Solaris as a Fund Manager focusing on the resources sector managing an index-linked natural resource portfolio of ~AUD\$1.25bn. In 2014 John was one of three principals who established Tembo Capital a mining focused private equity fund.



Current Operating Status and Outlook

2



Langer Heinrich Mine – Status

Located near the west coast of central Namibia, 85km northeast of Walvis Bay

- To reduce cash operating costs, LHM ceased physical mining in November 2016 maintaining processing feed from medium grade ore stockpiles
- C1 cash costs reduced from US\$25.27/lb to a record low of US\$16.25/lb (half to Dec 2016)
- LHM's current mining curtailment strategy relies on processing medium grade stockpiled ore
- Such stockpiles will be exhausted by mid-2019
- A decision needs to be made at least six months prior as to whether to restart physical mining, process low grade stockpiles or place LHM on care and maintenance
- Total resource of 128.9Mlb at 465ppm containing a total reserve of 91Mlb at 464ppm¹



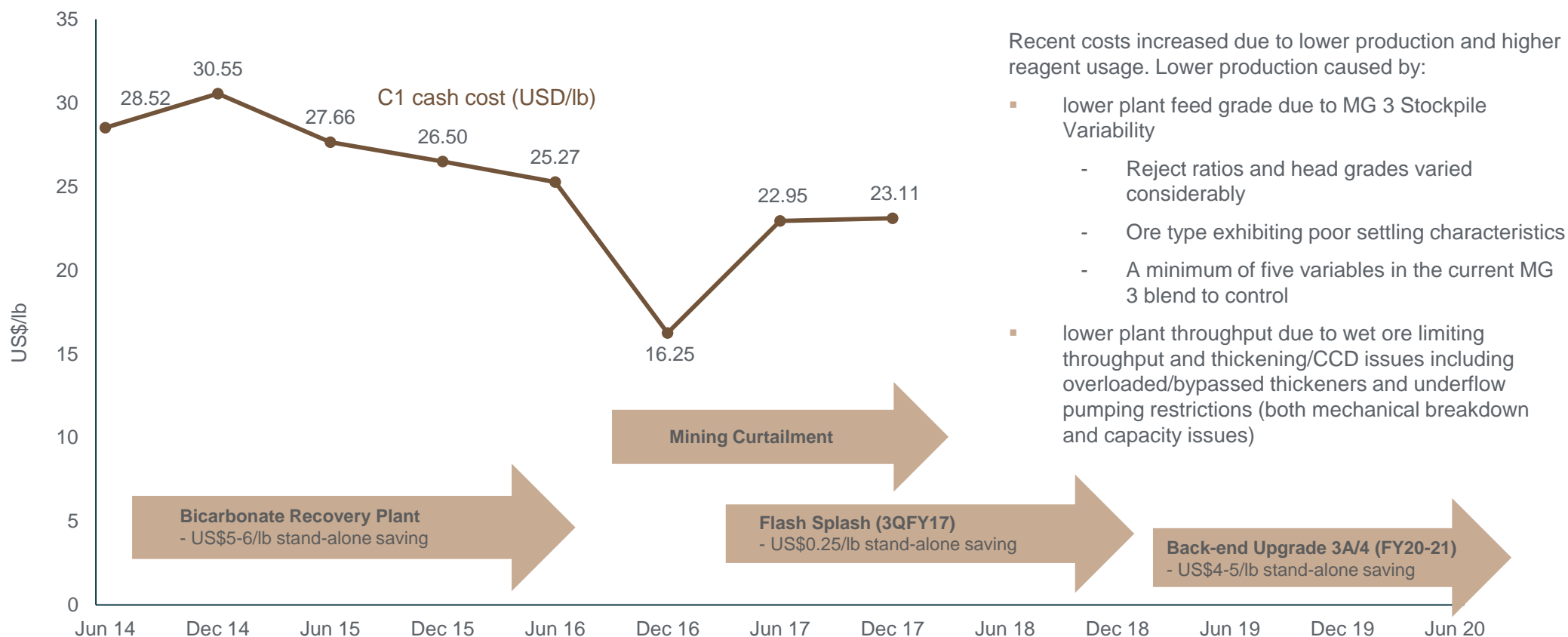
¹at a break even cut-off grade of 250ppm for all resource and reserve categories. Ownership 75% Paladin.



Historical and Continued Optimisation Langer Heinrich Mine - Cost Reductions

Optimisation has resulted in a reduction in C1 Cash Costs to a record low of US\$16.25/lb

C1 Cash Cost (US\$/lb)



Notes:
* Above numbers based on half year results



Langer Heinrich Mine – Future Optimisation Potential

Innovation remains key to increasing operation efficiencies and lowering production costs

Back-end Upgrade Project (BUP)

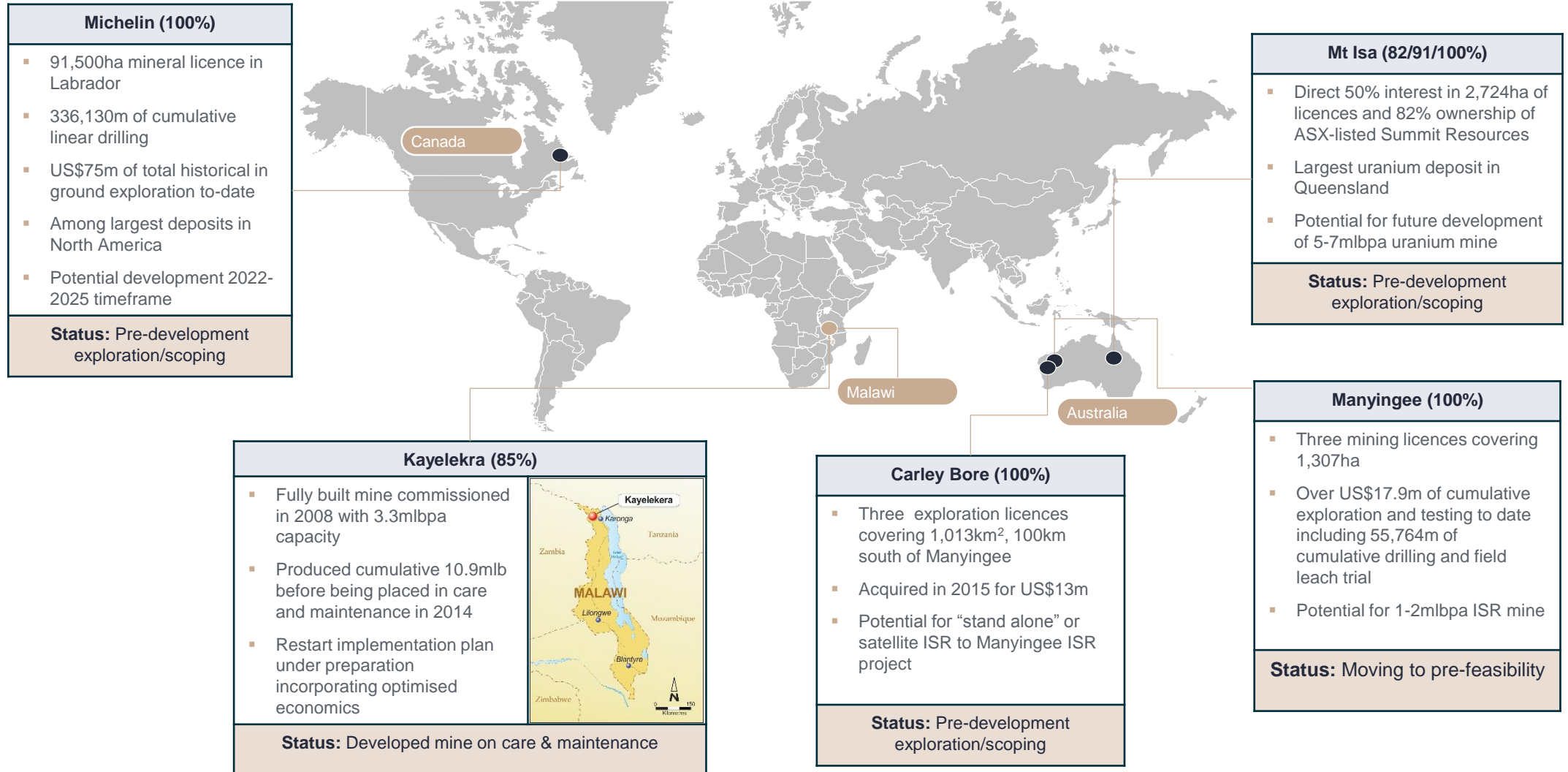
- The BUP will utilise the existing LHM process across the Beneficiation, Leach and CCD & TSF areas with relatively minor changes
- The PLS to be treated via a substantially new process that has been divided into the following process areas:
 - PLS concentration;
 - Vanadium precipitation;
 - Uranium precipitation;
 - Causticisation & carbonation;
 - Crystallisation;
 - Vanadium refinery; and
 - Uranium refinery
- BUP has completed the R&D phase with material benefits across the operations including;
 - Potential to reduce process cost by US\$4-5/lb
 - Vanadium produced for sale
 - Process more stable and operability improved
- Implementation period of 2 years and a Simple capex return period of 12-18 months

U-pgrade

- Marenica Energy Ltd has performed initial test work and proceeded to calculate the possible benefit to LHU of feeding the currently uneconomical low grade ore into an upgrade plant. Preliminary results a positive
- The **U-pgrade**[™] process uses mineralogical data to determine a processing route to reject a low grade stream, leaving a high grade product for further processing
- Initial study and testwork for a 3Mt (avg grade of 325ppm) per annum **U-pgrade**[™], plant to co-process low grade material
- Potential to increase production 1.5-1.8Mlb p.a. and reduce average costs by US\$1-2/lb



Non-Langer Heinrich Portfolio – An Industry Leading Suite of Development Assets





Continued Reduction in Non-LHM Spending

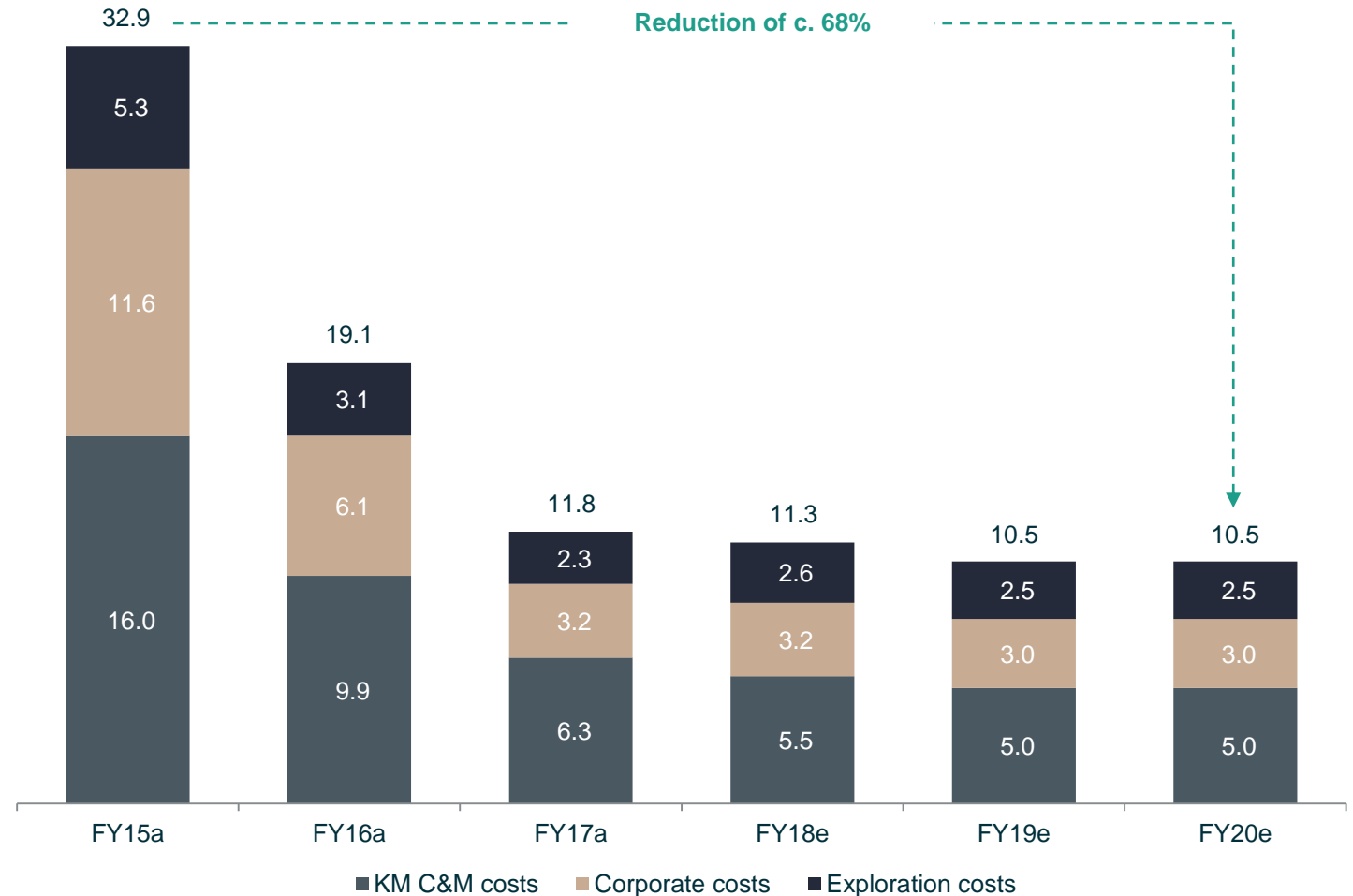
Exploration and other controllable costs have been significantly reduced and are expected to hit a "run rate" of c. US\$10-11m per year from FY19E

Exploration

- Previously deferred exploration commitments at the Michelin project are expected to result in increased exploration expenditure in FY19 and FY20 (assumes 100% ownership of Michelin project)
- Exploration carrying cost of c. US\$2-3m until improved uranium market

Corporate Costs and KM

- Corporate head count has been reduced by approximately two thirds since 2015
- All non-essential expenditure continues to be reduced
- Corporate costs will likely plateau around US\$3m per year and KM care and maintenance at US\$5m per year



Notes:

* Excludes one-off items and working capital requirements.



Best Senior Leverage To Uranium Upside

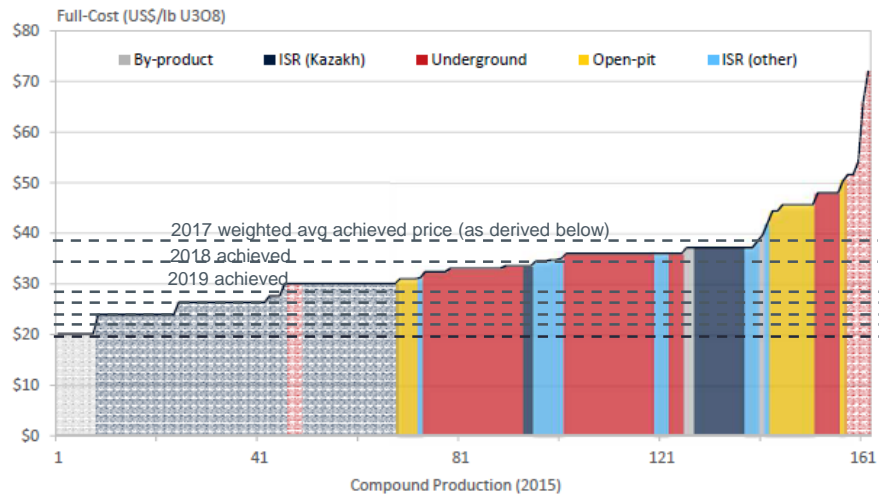
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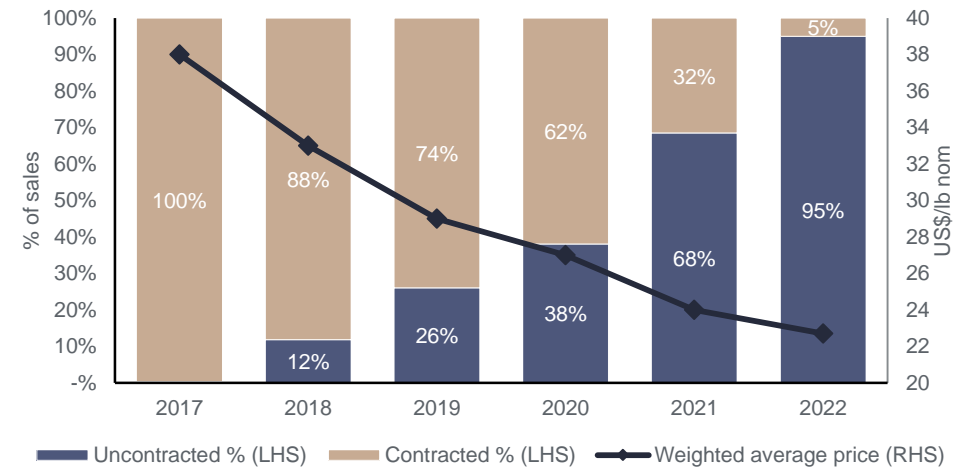
Uranium is Unsustainable at US\$20-25/lb

Contracts are rolling off industry-wide and the spot price is too low to cover costs for most

Global uranium cost curve vs forecasted achieved price (US\$/lb)



Global uranium cost curve vs forecasted achieved price (US\$/lb)



- Taking into account contracts and un-contracted volumes, Paladin estimates the industry average received price is now falling below US\$40/lb
- If Spot stays US\$20-25/lb, average received prices will fall <US\$30/lb by 2019
- Up to 40% of global uranium supply would be at risk under those conditions



Positive Catalysts Are Happening

Positive supply and demand changes are already driving prices off CY16&17 lows

Key catalysts

- KazAtomProm announced (in January 17), it plans to cut 2017 uranium production by 10% (equates to c. 4% of global production)
- Cameco announced (in November 17) it would suspend production at its McArthur River/Key Lake project for up to ten months in 2018, which should remove approximately 15 million pounds U3O8 from the supply side
- Other projects have seen announced output reductions in 2017, including AREVA NC's SOMAIR mine in Niger, and multiple U.S. ISR projects – Energy Fuels' Nichols Ranch and Ur-Energy's Lost Creek
- New regulation in New York and Illinois prove US policy is becoming more supportive for nuclear
- Progress continues towards the construction for the Hinkley Point C nuclear power plant in the UK
- The Genkai 3 and 4 reactors in Japan have been cleared to restart

Historical uranium price (US\$/lb)

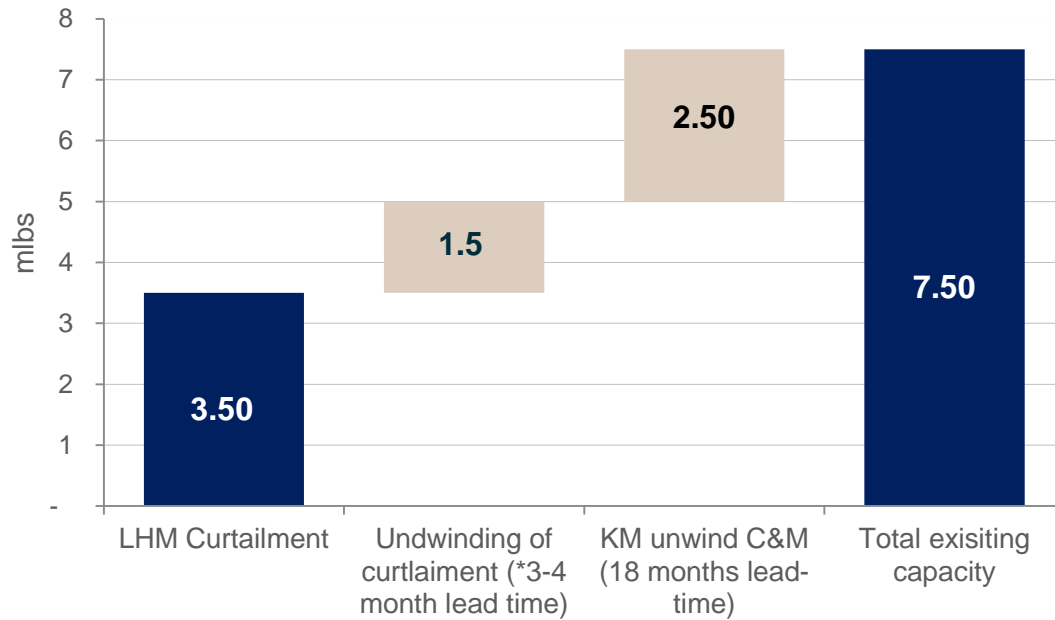




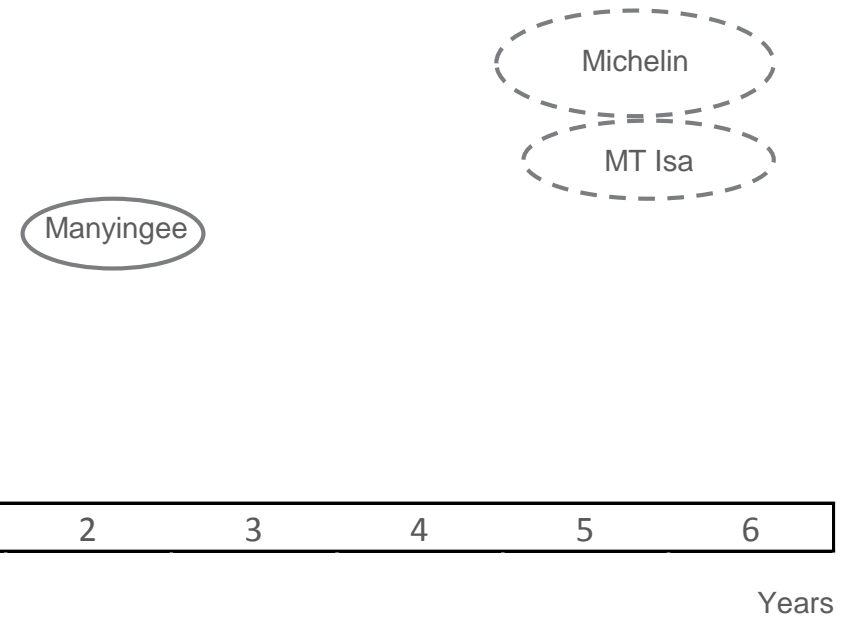
Unique Leverage Through Potential Volume Growth

Our fully built capacity plus pipeline provides unique growth potential

Potential volume growth within existing capacity (mlbs)



Future Pipeline





Outlook

4



MAXIMISE LHM OPERATING CASH FLOWS THROUGH CONTINUED OPTIMISATION INITIATIVES WHILST PRESERVING THE INTEGRITY OF THE LONG-TERM LIFE OF MINE PLAN

MAINTAIN **KM AND EXPLORATION** ON A “**MINIMAL EXPENDITURE, CARE AND MAINTENANCE BASIS**”

MINIMISE CORPORATE AND ADMINISTRATIVE COSTS

PREPARE FOR GROWTH



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Paladin Energy Ltd

Additional Information



Post Restructure Pro-Forma Balance Sheet

Pro-Forma Balance Sheet at 31 December 2017	Forecast 31 Dec 2017 US\$m	Pro-Forma Adjustments				Pro- Forma US\$m
		Debt to Equity US\$m	New Notes US\$m	Repay DB Facility US\$m	Pre-admin Creditors US\$m	
ASSETS						
Current assets						
Cash and cash equivalents	27		108 ¹	(63) ²	(1)	71
Trade and other receivables	16			(2)		14
Inventories	30					30
TOTAL CURRENT ASSETS	73		108	(65)	(1)	115
Non current assets						
Property, plant and equipment	376					376
TOTAL NON CURRENT ASSETS	376					376
TOTAL ASSETS	449		108	(65)	(1)	491
LIABILITIES						
Current liabilities						
Trade and other payables	23			(3)	(1)	19
Interest bearing loans and borrowings	739	(679)		(60)		-
TOTAL CURRENT LIABILITIES	762	(679)		(63)	(1)	19
Non current liabilities						
Interest bearing loans and borrowings	-		73 ³			73
Other Interest bearing loans - CNNC	91					91
Provisions	92					92
TOTAL NON CURRENT LIABILITIES	183		73			256
TOTAL LIABILITIES	945	(679)	73	(63)	(1)	275
NET ASSETS	(496)	679	35	(2)		216
TOTAL EQUITY	(496)	679	35	(2)		216

Key components	Comment
2017 and 2020 Convertible Bonds	<ul style="list-style-type: none"> Bondholders claim of US\$391m exchanged into equity representing 40% of the existing equity. Bondholders and acquirers of EDF claims provided the opportunity to fund the new secured notes of US\$115m.
EdF	<ul style="list-style-type: none"> Former EDF claim of US\$288m exchanged into equity representing 30% of the existing equity.
DB Facility	<ul style="list-style-type: none"> Drawn DB Facility of US\$60m paid down to US\$45m from cash on hand. Balance of US\$45m repaid from proceeds of new senior secured bond.
New funding	<ul style="list-style-type: none"> Total new funding of US\$115m in the form of a senior secured 10% PIK with a 9% cash toggle to fund liquidity for FY18 to FY21 assuming uranium price stays lower for longer. In consideration for providing new money of US\$115m, participating new funders receive a further 25% of the existing equity and their pro rata portion of the new secured bond. For those participating new funders that commit to underwrite any shortfall of the new secured bond, they will receive a further 3% of the existing equity.

¹ Note proceeds net of transaction costs

² Repayment of DB facility including fees

³ Notes of US\$115m split between debt and equity, representing shares issued to new Note holders



Resource and Reserve Tables

30 June 2017

		30 June 2017			
Mineral Resources		M tonnes	grade % U ₃ O ₈	Metal t	Paladin Ownership %
Canada					
Measured	Jacques Lake	-	-	-	100
	Michelin	17.62	0.097	17,045	100
	Rainbow	0.21	0.092	193	100
Indicated	Gear	0.35	0.077	270	100
	Inda	1.2	0.069	826	100
	Jacques Lake	12.96	0.063	8,145	100
	Michelin	20.65	0.098	20,225	100
	Nash	0.68	0.083	564	100
	Rainbow	0.76	0.086	655	100
Inferred	Gear	0.3	0.093	279	100
	Inda	3.26	0.067	2,171	100
	Jacques Lake	3.61	0.055	1,988	100
	Michelin	4.54	0.099	4,470	100
	Nash	0.51	0.072	367	100
	Rainbow	0.91	0.082	739	100
Malawi					
Measured	Kayelekera	0.74	0.101	753	85
Indicated	Kayelekera	12.71	0.070	8,901	85
Inferred	Kayelekera	5.35	0.062	3,334	85
Stockpiles	Kayelekera	1.59	0.076	1,199	85
Namibia					
Measured	Langer Heinrich	60.71	0.051	31,169	75
Indicated	Langer Heinrich	21.48	0.046	9,854	75
Inferred	Langer Heinrich	8.70	0.047	4,073	75
Stockpiles	Langer Heinrich	33.90	0.038	12,915	75
Australia					
Measured	Valhalla	16.02	0.082	13,116	91
Indicated	Andersons	1.4	0.145	2,079	82
	Bikini	5.77	0.050	2,868	82
	Duke Batman	0.53	0.137	728	100
	Odin	8.2	0.055	4,534	91
	Skal	14.3	0.064	9,177	91
	Valhalla	18.64	0.084	15,662	91
	Carley Bore	5.4	0.042	2,268	100
	Manyingee	8.37	0.085	7,127	100
Inferred	Andersons	0.1	0.164	204	82
	Bikini	6.7	0.049	3,324	82
	Duke Batman	0.29	0.110	325	100
	Honey Pot	2.56	0.070	1,799	100
	Mirricola	2	0.056	1,132	82
	Odin	5.8	0.059	3,430	91
	Skal	1.4	0.052	708	91
	Valhalla	9.1	0.064	5,824	91
	Watta	5.6	0.040	2,260	82
	Warwai	0.4	0.036	134	82
	Carley Bore	17.4	0.028	4,825	100
	Manyingee	5.41	0.085	4,613	100

Ore Reserves

		M tonnes	grade % U ₃ O ₈	Metal t	Ownership %
Malawi					
Proven	Kayelekera	0.39	0.117	457	85
Probable	Kayelekera	5.34	0.088	4,709	85
Stockpiles	Kayelekera	1.59	0.076	1,199	85
Namibia					
Proven	Langer Heinrich	41.97	0.052	21,997	75
Probable	Langer Heinrich	13.14	0.048	6,366	75
Stockpiles	Langer Heinrich	33.90	0.038	12,915	75