

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Paladin Energy Limited (Paladin)

ACN/ARSN ACN 061 681 098

1. Details of substantial holder (1)

Name Value Partners Greater China High Yield Income Fund (China Fund), Value Partners Credit Opportunities Fund (Credit Fund), Value Partners Hong Kong Limited (Value Partners) and the persons listed in Annexure A

ACN/ARSN (if applicable) N/A

The holder became a substantial holder on the Implementation Date (as that term is defined in the Deed of Company Arrangement dated on or about 8 December 2017 between Paladin and others) (Implementation Date)

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary Shares (Paladin Shares)	202,559,460	202,559,460	11.83%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
China Fund	Relevant interest under section 608(1)(b) and (c) of the <i>Corporations Act 2001</i> (Cth) (Act) as the beneficiary of PT2 - Value Partners Greater China High Yield Income Fund Trust and PT3 - Value Partners Greater China High Yield Income Fund Trust.	177,943,921 ordinary shares
Credit Fund	Relevant interest under section 608(1)(b) and (c) of the Act as the beneficiary of PT2 - Value Partners Credit Opportunities Fund Trust and PT3 - Value Partners Credit Opportunities Fund Trust.	24,615,539 ordinary shares
Value Partners	Relevant interest under sections 608(3)(b) of the Act in the Paladin Shares held by China Fund and Credit Fund in its capacity as investment manager of China Fund and Credit Fund.	202,559,460 ordinary shares
Persons listed in Part 1 of Annexure A	Each person listed in Part 1 of Annexure A is taken to have the same relevant interest in Paladin as Value Partners' relevant interest by virtue of section 608(3) of the Act as a result of having control and/or voting power in excess of 20% in Value Partners (as investment manager of China Fund and Credit Fund).	202,559,460 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (B)	Class and number
China Fund, Value Partners, the persons listed in Part 1 of Annexure A	Matthew Woods	Value Partners Greater China High Yield Income Fund	123,065,083 ordinary shares
Credit Fund, Value Partners, the persons listed in Part 1 of Annexure A	Matthew Woods	Value Partners Credit Opportunities Fund	2,758,976 ordinary shares
China Fund, Value Partners, the persons listed in Part 1 of Annexure A	Hayden White	Value Partners Greater China High Yield Income Fund	54,878,838 ordinary shares
Credit Fund, Value Partners, the persons listed in Part 1 of Annexure A	Hayden White	Value Partners Credit Opportunities Fund	21,856,563 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
China Fund	Implementation Date		China Fund acquired its relevant interest in consideration for: (a) the compromise and extinguishment of its claims in respect of certain unsecured bonds issued by Paladin; (b) subscribing for certain secured high yield notes issued by Paladin pursuant to the Subscription Agreement (New Notes Issue); and (c) underwriting the New Notes Issue.	177,943,921 ordinary shares
Credit Fund	Implementation Date		Credit Fund acquired its relevant interest in consideration for: (a) the compromise and extinguishment of its claims in respect of certain unsecured bonds issued by Paladin; (b) subscribing for certain secured high yield notes issued by Paladin pursuant to the Subscription Agreement; and (c) underwriting the New Notes Issue.	24,615,539 ordinary shares
Value Partners	Implementation Date	Nil		202,559,460 ordinary shares
Persons listed in Part 1 of Annexure A	Implementation Date	Nil		202,559,460 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Credit Fund	Credit Fund is an associate of China Fund as both funds are under the common control of Value Partners (section 12(2)(a)(iii))

Value Partners	Value Partners is an associate of China Fund and Credit Fund as it has the power to control both China Fund and Credit Fund (section 12(2)(a)(i)). Value Partners is an associate of each person listed in Annexure A because it either controls that person, is controlled by that person or is under the common control of a person (section 12(2)(a)).
Each person listed in Annexure A	Each person listed in Annexure A is an associate of China Fund, Credit Fund, Value Partners and/or each other person listed in Annexure A because they either control that person, are controlled by that person or are under the common control of one or more persons (but those entities listed in Part 2 of Annexure A do not have any relevant interest in the shares held by China Fund and Credit Fund) (section 12(2)(a) of the Act).

7. Addresses

The addresses of persons named in this form are as follows:

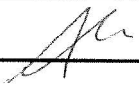
Name	Address
China Fund	c/- Value Partners Hong Kong Limited, 9F Nexxus Building, 41 Connaught Road, Central, Hong Kong
Credit Fund	c/- Value Partners Hong Kong Limited, 9F Nexxus Building, 41 Connaught Road, Central, Hong Kong
Value Partners	9F Nexxus Building, 41 Connaught Road, Central, Hong Kong
Person listed in Annexure A	See Annexure A

Signature

print name Jonathan Mo

capacity Alternative Director

sign here



date 2 February 2018

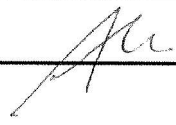
Annexure A – Substantial Holders

This is Annexure A of 1 page(s) referred to in the Form 603 (Notice of initial substantial holder).

print name Jonathan Mo

capacity Alternative Director

sign here



date

2 February 2018

Name	Address
Part 1: Persons with the same 'relevant interest' in Paladin as China Fund, Credit Fund and/or Value Partners	
Value Partners Group Limited	c/- Value Partners Hong Kong Limited, 9F Nexus Building, 41 Connaught Road, Central, Hong Kong
Cheah Capital Management Limited	
Cheah Company Limited	
Dato' Seri Cheah Cheng Hye	
Ms To Hau Yin	
Value Partners Limited	
Part 2: Associates of China Fund, Credit Fund, Value Partners and/or each other person listed in this Annexure	
N/A	N/A