



PALADIN ENERGY LTD

AGM PRESENTATION

Tuesday 19 November 2019

ASX: PDN

DISCLAIMER AND NOTES



This presentation contains summary information about the Company's activities current as at the date of this presentation. The information in this presentation is of a general background nature and does not purport to be complete or contain all the information investors would require to evaluate their investment in the Company, nor does it contain all the information which would be required in a prospectus or product disclosure statement prepared in accordance with the Corporations Act 2001 (Cth). The Company is not responsible for updating, nor undertakes to update, this presentation. This presentation should be read in conjunction with the Company's other periodic and continuous disclosure announcements, available at <http://www.paladinenergy.com.au>.

This presentation includes 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 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 the expectations expressed in the forward-looking statements. Factors that could cause actual results to differ materially from the expectations expressed those in forward looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions and risk factors associated with the uranium industry generally.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Readers should not place undue reliance on forward-looking information. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise. No representation is made or will be made that any forward-looking statements will be achieved or will prove to be correct.



CORPORATE SNAPSHOT

MARKET SNAPSHOT ASX: PDN

Shares on issue	2.027B
Share price A\$ (as at 18 November 2019)	0.09
Market capitalisation A\$	178.5M
Market capitalisation US\$ ¹ (A\$178.5M ¹)	121.3M
Unrestricted Cash US\$ ²	40.6M
Debt US\$ ³	135.4M
Enterprise value US\$	216.1M

SUBSTANTIAL SHAREHOLDERS⁴

Paradise, Maso (Form 604 dated 20/10/19)	13.55%
Tembo Capital Management	13.05%
Value Partners	8.03%
Hopu Clean Energy	7.03%

¹ A\$/US\$ exchange rate 0.68

² As at 30 September 2019 and excluding restricted cash of US\$11M

³ As at 30 September 2019

⁴ As at 30 October 2019



WE ARE DELIVERING ON OUR STRATEGY



Focused on repositioning Langer Heinrich to be a low cost, early producer in an improving uranium market



Developed opportunities to monetise non-core assets

- Kayelekera sale signed with Lotus Resources Limited



Conserved cash by minimising remaining asset holding costs

- Global exploration portfolio 5-year lease commitments reduced from US\$14M to US\$7.1M with plans to reduce to US\$4.9M
- Corporate costs reduced from US\$10.6M to US\$4.5M pa with ongoing focus on further reductions
- Care and Maintenance costs to be reduced by US\$5M pa upon completion of Kayelekera sale



LANGER HEINRICH

RAPID PRODUCTION RESTART ON URANIUM PRICE RECOVERY

DESCRIPTION	STATUS	TIMING	PURPOSE
Concept Study	✓	Completed February 2019	<ul style="list-style-type: none"> Low capital requirements for 5Mlb pa production capacity Generated multiple improvement options
Prefeasibility Study 1 (Rapid Restart)	✓	Prefeasibility Study 1 - completed October 2019	<ul style="list-style-type: none"> Detailed restart plan (commissioning 12 months from funding and restart decision) Low risk production expansion to 6.5Mlb pa capacity by incremental debottlenecking reduces AISC¹ to US\$29/lb (average life of asset) Maiden Vanadium Mineral Resource declared
Prefeasibility Study 2 (Process Optimisation)	Suspended until price recovery	Finalise progress documentation by November 2019	<ul style="list-style-type: none"> Opportunities identified to reduce costs by ~US\$4.50/lb Reasonable prospects of Vanadium production
Feasibility Study 1 (Rapid Restart)	Not committed	Undertake closer to restart decision – 9 months required	<ul style="list-style-type: none"> +/- 10% accuracy Enable Rapid Restart to be triggered and clear path into production

Early uranium producer back into production

¹ AISC: All in Sustaining Cost



KAYELEKERA MINE SALE ANNOUNCED

- **Significantly improves Paladin's balance sheet and forward cash position**
- Paladin (Africa) Ltd (PAL) signed an Agreement with Lotus Resources Ltd (formerly Hylea Metals Limited) in June 2019. PAL holds an 85% interest in Kayelekera Mine and associated leases
 - ✓ Paladin Noteholders approval obtained on 29 August 2019
 - ✓ Lotus Shareholder approval obtained on 8 October 2019
 - ➔ Government of Malawi approval in progress
- US\$5M expected saving to Paladin on annual Care and Maintenance costs
- Upside exposure to Lotus's success with 3.5% royalty capped at A\$5M and A\$4.8M shares (A\$1.8M on completion subject to 12-month voluntary escrow and A\$3M on third anniversary of completion)
- US\$10M Environmental performance bond to be refunded:
 - US\$4M on completion; US\$1M first anniversary; US\$2M second anniversary; US\$3M third anniversary



PALADIN PROVIDES A UNIQUE INVESTMENT OPPORTUNITY



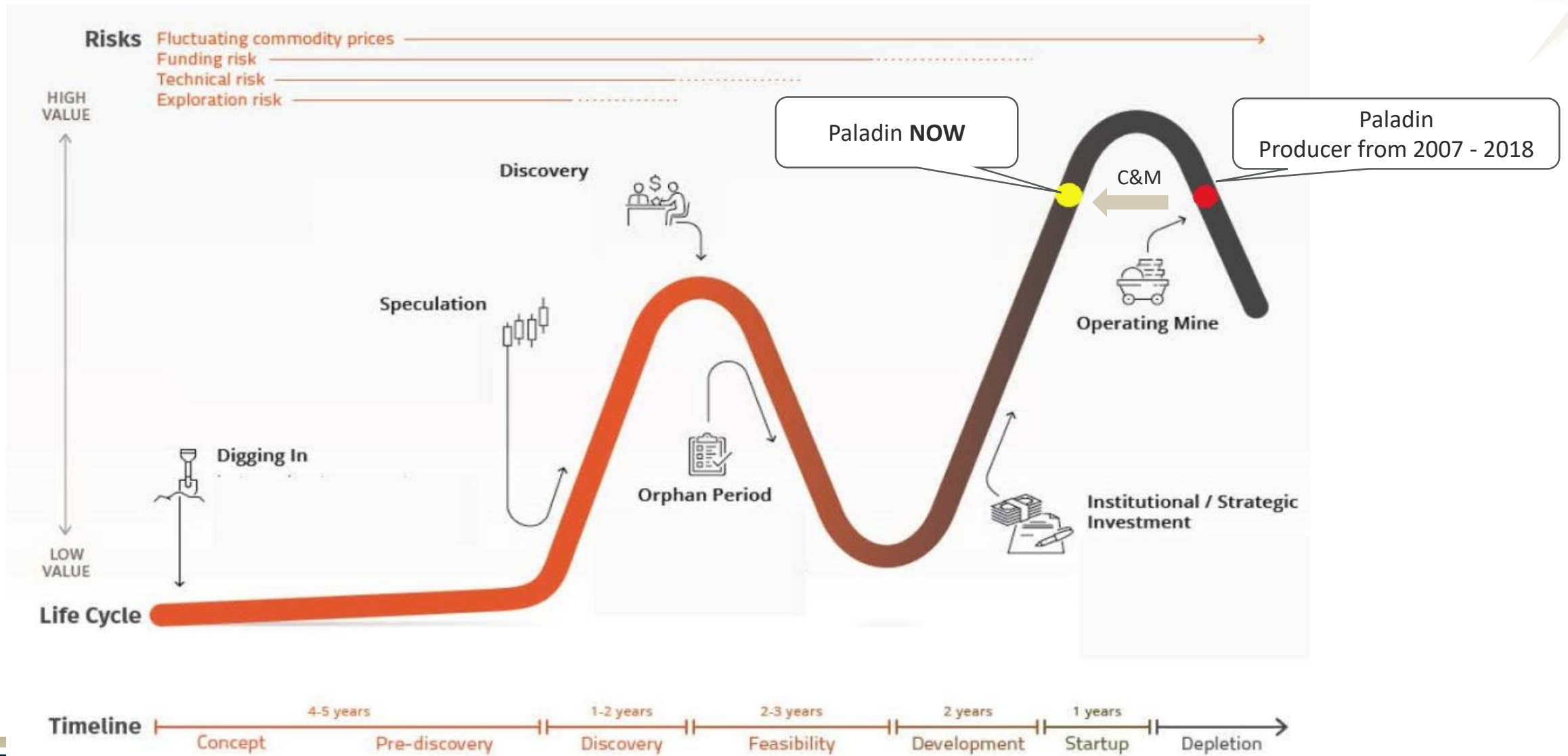
Langer Heinrich's path to production is well understood and targeting 6.5Mlb pa capacity

- Prefeasibility Study has confirmed the lead time to bring Langer back into production is 12 months from a restart decision, compared to >3 years for new projects, assuming they are permitted
- Langer Heinrich is fully permitted. Permitting took three years. Permitting is a material risk for other new projects
- Anticipated to cost more than US\$600M to replace Langer Heinrich today and approximately 3 years to construct and commission
- Langer Heinrich has produced and marketed approximately 43Mlb¹ of U₃O₈ over 10 years of production history. Our relationships and products are market proven
- Langer Heinrich has 15 years of life remaining based on current mineral reserves



¹ Approximately 43Mlb of U₃O₈ produced from 2007 to 2018

LIFECYCLE OF A MINERAL DISCOVERY – LASSONDE CURVE



PALADIN IS NOW IN A VERY STRONG MARKET POSITION



Strong balance sheet allows us to withstand sustained low uranium prices

- US\$40M unrestricted cash as of 30 Sept 2019
- Proceeds from a successful Kayelekera sale to further strengthen Paladin's balance sheet
- Fully licensed and ready for rapid restart



Paladin continues to demonstrate progress on cost reduction

- Langer Heinrich Care and Maintenance operation is undergoing a full review under Paladin's new Business Improvement model successfully used in the Prefeasibility study
- Corporate costs reviewed for further reduction opportunity





CONTACT US

HEAD OFFICE

Level 4, 502 Hay Street
Subiaco Western Australia 6008
T: +61 (0) 8 9381 4366
E: paladin@paladinenergy.com.au

INVESTOR RELATIONS

Scott Sullivan
Chief Executive Officer

www.paladinenergy.com.au