



PALADIN

Clean energy. Clear future.

Level 11, 197 St Georges Terrace
PO Box 8062
Cloisters Square PO WA 6850
+61 8 9423 8100
paladin@paladinenergy.com.au
paladinenergy.com.au

PALADIN ENERGY LTD
ABN 47 061 681 098
ASX:PDN
OTCQX: PALAF

ASX Announcement

31 July 2024

Paladin confirms Fission Uranium's filing of the Management Information Circular

Paladin Energy Ltd (ASX:PDN OTCQX: PALAF) ("**Paladin**") advises that Fission Uranium Corp (TSX:FCU OTCQX: FCUUF FSE:2FU) ("**Fission**") has filed the Management Information Circular ("**Circular**") for the special meeting of Fission shareholders ("**Fission Meeting**") to approve the acquisition of Fission by Paladin ("**Transaction**"), as announced on 24 June 2024¹.

The Circular contains information on the Plan of Arrangement pursuant to the Transaction and sets the date for the Fission Meeting to vote on the Transaction as 26 August 2024 at 10:00am (Vancouver time). Fission will send the Circular to its shareholders in accordance with the interim order obtained on 19 July 2024.

The Transaction requires the approval of (i) at least 66^{2/3}% of the votes cast by Fission shareholders voting as a single class at the Fission Meeting, (ii) at least 66^{2/3}% of the votes cast by Fission shareholders and option holders voting together as a single class at the Fission Meeting, and (iii) a simple majority of the votes cast by Fission's minority shareholders at the Fission Meeting.

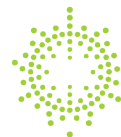
Fission's Board of Directors, following the unanimous recommendation by its special committee of independent directors, and in consultation with Fission's financial and legal advisors, recommends that Fission shareholders vote in favour of the Transaction.

Directors and members of senior management of Fission have entered into voting support arrangements with Paladin pursuant to which they have agreed to vote their Fission Shares in favour of the Transaction at the Fission Meeting.

The Transaction is also subject to closing conditions customary in transactions of this nature, including receipt of Investment Canada Act clearance, British Columbia court approvals and applicable stock exchange approvals.

The Transaction is targeted to be completed in September 2024, subject to satisfaction of the remaining conditions under the Agreement.

¹ Refer to Paladin's ASX Announcement title "Paladin Energy to acquire Fission Uranium" dated 24 June 2024, available at <https://www.paladinenergy.com.au/investors/asx-announcements/>.



Additionally, Paladin advises it has filed a Technical Report for the Langer Heinrich Uranium Mine (“**Technical Report**”) with the Toronto Stock Exchange (“**TSX**”). The Technical Report is a regulatory filing required under National Instrument 43-101 to facilitate the listing of Paladin Shares on the TSX pursuant to the Transaction².

A copy of the Circular accompanies this announcement.

The Technical Report is available on SEDAR+ under Paladin’s profile.

This announcement has been authorised for release by the Board of Directors of Paladin Energy Ltd.

For further information contact:

Paladin Investor Relations

Paula Raffo

Investor Relations Manager

T: +61 8 9423 8100

E: paladin@paladinenergy.com.au

Media

Australia

Anthony Hasluck

Clarity Communications

T: +61 438 522 194

E: anthony.hasluck@claritycommunications.com.au

Canada

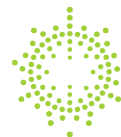
Ian Hamilton, Partner

FGS Longview

T: +1 905-399-6591

E: ian.hamilton@fgslongview.com

² Refer to Paladin’s ASX Announcement title “Paladin Energy to acquire Fission Uranium” dated 24 June 2024, available at <https://www.paladinenergy.com.au/investors/asx-announcements/>.



ASX Listing Rule 5.23 Exploration Results

The information in this announcement (including the accompanying Circular and Technical Report) that relates to the exploration results for the Langer Heinrich Mine has been extracted from the announcement entitled “Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update” released to the ASX on 4 November 2021 and is available to view on Paladin’s website (www.paladinenergy.com.au) and www.asx.com (**Paladin Announcement**). For the purposes of ASX Listing Rule 5.23, Paladin confirms that it is not aware of any new information or data that materially affects the information included in the Paladin Announcement. Paladin confirms that the form and context in which the competent person's findings are presented have not been materially modified from that announcement.]

ASX Listing Rule 5.23 Mineral Resources and Ore Reserves

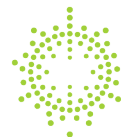
This announcement (including the accompanying Circular) refers to Paladin and Fission having combined ore reserve and mineral resource estimates of 157Mlb and 544Mlb (respectively) and refers to the individual ore reserve (or mineral reserve for Fission) and mineral resource estimates of Paladin and Fission.

Langer Heinrich Mine

The information in this announcement (including the accompanying Circular and Technical Report) relating to mineral resource and ore reserve estimates for the Langer Heinrich Mine is extracted from the ASX announcement entitled “Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update” released to the ASX on 4 November 2021 which is available on Paladin’s website www.paladinenergy.com.au. Paladin confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, in relation to the estimates of mineral resources and ore reserves, and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. Paladin confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original market announcement.

Michelin

In relation to information in this announcement (including the accompanying Circular) relating to mineral resource estimates for Michelin, please refer to the: (1) ASX Announcement dated 31 January 2018 “Correction to 30 June 2017 Annual Report” pp13-15 (reporting standard JORC 2012) which is available on Paladin’s website www.paladinenergy.com.au; and (2) SEDAR lodgement (TSX:FRG) dated 8 September 2009 “Fronteer Reports Positive Preliminary Economic Assessment for Michelin Uranium Project” (reporting standard JORC 2004). Paladin confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. Paladin confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original market announcement. To the extent the estimates have been reported under the reporting standard JORC 2004, they are “historical estimates” for the purposes of the ASX Listing Rules. In relation to the historical estimates: (1) Paladin confirms that the supporting information provided in the original market announcement continues to apply and has not materially changed; and (2) Paladin



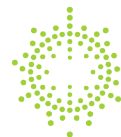
cautions that: the estimates are not reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition (**JORC Code**); a competent person has not done sufficient work to classify the estimates as mineral resources or ore reserves in accordance with the JORC Code; and it is uncertain that following evaluation and/or further exploration work that the estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.

Manyingee & Carley Bore and Mount Isa Projects

In relation to information in this announcement (including the accompanying Circular) relating to mineral resources estimates for the Manyingee & Carley Bore and Mount Isa Projects, please refer to the: (1) ASX Announcement (ASX:SMM) dated 19 October 2010 “Resource Upgrade for the Valhalla Uranium Deposit” (reporting standard JORC 2004); (2) ASX Announcement dated 16 April 2012 “Quarterly Activities Report for period ending 31 March 2012” (reporting standard JORC 2004); (3) ASX Announcement dated 15 April 2011 “Quarterly Activities Report for period ending 31 March 2011” (reporting standard JORC 2004); (4) ASX Announcement dated 31 August 2011 “30 June 2011 Annual Report” p29 (reporting standard JORC 2004); (5) ASX Announcement dated 17 January 2012 “Quarterly Activities Report for period ending 31 December 2011” (reporting standard JORC 2004); (6) ASX Announcement dated 13 July 2012 “Quarterly Activities Report for period ending 30 June 2012” (reporting standard JORC 2004); (7) ASX Announcement (ASX:EMX) dated 12 February 2014 “Energia Delivers Significant Uranium Resource Upgrade” (reporting standard JORC 2012); (8) ASX Announcement dated 14 January 2014 “Manyingee Minerals Resources – Amendment” (reporting standard JORC 2012); (9) ASX Announcement dated 10 December 2008 “Maiden Uranium Resource at Valhalla North Project” (reporting standard JORC 2004); (10) Mirrioola - ASX Announcement dated 15 March 2012 “Half Yearly Financial Report 31 December 2011” (reporting standard JORC 2004); (11) Watta - ASX Announcement Summit Resources Ltd dated 29 January 2013 “Half Year Financial Report – 31 December 2012” (reporting standard JORC 2004); and (12) Warwai - ASX Announcement Summit Resources Ltd dated 29 January 2013 “Half Year Financial Report – 31 December 2012” (reporting standard JORC 2004). Paladin confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. Paladin confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original market announcement. To the extent the estimates have been reported under the reporting standard JORC 2004, they are “historical estimates” for the purposes of the ASX Listing Rules. In relation to the historical estimates: (1) Paladin confirms that the supporting information provided in the original market announcement continues to apply and has not materially changed; and (2) Paladin cautions that: the estimates are not reported in accordance with the JORC Code; a competent person has not done sufficient work to classify the estimates as mineral resources or ore reserves in accordance with the JORC Code; and it is uncertain that following evaluation and/or further exploration work that the estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.

Patterson Lake South ('PLS')

The information in this announcement (including the accompanying Circular) relating to mineral reserves and mineral resources estimates for PLS is based on the technical report titled “Feasibility



Study, NI 43-101 Technical Report, for PLS Property” with an effective date of 17 January 2023 (**PLS Feasibility Study**) which was prepared in accordance with NI 43-101 and is available on www.sedarplus.ca. The PLS Feasibility Study (including life of mine plan and cash flow) is based upon geological, engineering, technical and cost inputs developed by Tetra Tech and other study participants. The technical information for the PLS Feasibility Study has been prepared in accordance with the Canadian regulatory requirements set out in NI 43-101 and reviewed and approved by Hassan Ghaffari, P.Eng., Dr. Jianhui (John) Huang, P.Eng., Patrick Donlon, FSAIMM, FAusIMM, and Dr. Sabry Abdel Hafez, P.Eng., of Tetra Tech, Mark Mathisen, C.P.G., of SLR Consulting (Canada) Ltd., Catherine Schmid, P.Eng. and Randi Thompson, P.Eng., of BGC Engineering Inc., Maurice Mostert, P.Eng., of Mining Plus Canada Consulting Ltd., and Wayne Clifton, P.Eng. and Mark Wittrup, P.Eng., P.Geo., of Clifton Engineering Group Ltd., each of whom is a “qualified person” under NI 43-101.

The technical information in this announcement (including the accompanying Circular) has been prepared in accordance with the Canadian regulatory requirements set out in NI 43-101 and reviewed on behalf of the company by Ross McElroy, P.Geo., President and CEO of Fission, a “qualified person” under NI 43-101.

ASX Listing Rule 5.19 Production Targets

Langer Heinrich Mine

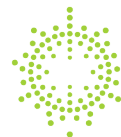
The information in this announcement (including the accompanying Circular and Technical Report) relating to production targets, or forecast financial information derived from a production target, in respect of the Langer Heinrich Mine is extracted from the ASX announcement entitled “Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update” released to the ASX on 4 November 2021 which is available on Paladin’s website www.paladinenergy.com.au. For the purposes of ASX Listing Rule 5.19, Paladin confirms that all material assumptions underpinning the production target, or the forecast financial information derived from a production target, in the original market announcement continue to apply and have not materially changed.

Fission Foreign Estimates

Paladin cautions that the Fission mineral reserves and mineral resources included in this announcement (including the accompanying Circular) are foreign estimates and are not reported in accordance with the JORC Code. The Fission mineral reserves and mineral resource estimates are foreign estimates prepared in accordance with Canadian National Instrument 43-101. A competent person has not done sufficient work to classify the foreign estimates as mineral resources or ore reserves in accordance with the JORC Code, and it is uncertain whether further evaluation and exploration will result in an estimate reportable under the JORC Code. Please refer to Paladin’s ASX announcement entitled “Paladin Energy to acquire Fission Uranium creating a clean energy leader” dated 24 June 2024 for additional technical information relating to the foreign estimate. Paladin confirms that the supporting information provided in the aforementioned announcement continues to apply and has not materially changed.

Forward-looking statements

This announcement (including the accompanying Circular and Technical Report) contains certain “forward-looking statements” within the meaning of Australian securities laws and “forward-looking information” within the meaning of Canadian securities laws (collectively referred to as “forward



looking statements”) with respect to Paladin’s business and operations, market conditions, results of operations and financial condition. All statements, other than statements of historical or present facts, that address circumstances, events, activities or developments that could, or may or will occur are forward looking statements. Forward looking statements involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies including those risk factors associated with the mining industry, many of which are outside the control of, change without notice, and may be unknown to Paladin. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licences, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for amongst other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rates, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks.

Forward looking statements in this announcement include, but are not limited to, statements regarding: the expected timetable, outcome and effects of the Transaction; the listing of Paladin Shares on the TSX; the anticipated benefits of the Transaction to Paladin’s and Fission’s shareholders; the ability of Paladin and Fission to complete the Transaction on the terms described herein or at all; the plans and strategies of Paladin or Fission; the future performance of Paladin or Fission; and the ability to obtain the requisite regulatory, stock exchange, court and shareholder approvals for the Transaction. Forward-looking statements can generally be identified by the use of forward-looking words such as ‘guidance’ (including negative and grammatical variations), ‘foresee’, ‘likely’, ‘potential’, ‘anticipate’, ‘propose’ ‘believe’, ‘aim’, ‘estimate’, ‘expect’, ‘intend’, ‘may’, ‘target’, ‘outlook’, ‘plan’, ‘forecast’, ‘project’, ‘schedule’, ‘will’, ‘should’, ‘could’, ‘seek’ and other similar words or expressions. In particular, no representation, warranty or assumption express or implied, is given in relation to any underlying assumption or that any forward-looking statement will be achieved. There can be no assurance that the forward-looking statements will prove to be accurate. Actual and future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements were based, because events and actual circumstances frequently do not occur as forecast and future results are subject to known and unknown risks such as changes in market conditions and regulations.

Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements, and should rely on their own independent enquiries, investigations and advice regarding information contained in this announcement. Any reliance by a reader on the information contained in this announcement is wholly at the reader's own risk.

To the maximum extent permitted by law or any relevant listing rules of the ASX, Paladin and its related bodies corporate and affiliates and its directors, officers, employees, advisors, agents and intermediaries disclaim any obligation or undertaking to disseminate any updates or revisions to the information in this announcement to reflect any change in expectations in relation to any forward looking statements or any such change in events, conditions or circumstances on which any such statements were based. Nothing in this announcement will, under any circumstances (including by reason of this announcement remaining available and not being superseded or replaced by any other



announcement or publication with respect to Paladin or the subject matter of this announcement), create an implication that there has been no change in the affairs of Paladin since the date of this announcement.



Fission
URANIUM CORP.

**Notice of Special Meeting
of Fission Securityholders**

**to be held at 10:00 a.m. (Pacific time)
on August 26, 2024**

at the address of

**Suite 3500, 1133 Melville Street, The Stack
Vancouver, BC V6E 4E5**

Management Information Circular

dated July 22, 2024

**Arrangement Involving
Fission Uranium Corp., Paladin Energy Ltd. and 1000927136 Ontario Inc.**

**YOUR VOTE IS IMPORTANT. TAKE ACTION AND VOTE TODAY.
THE BOARD OF DIRECTORS OF FISSION URANIUM CORP. RECOMMENDS THAT FISSION SECURITYHOLDERS
VOTE FOR THE ARRANGEMENT RESOLUTION SET FORTH IN THIS CIRCULAR**

Fission Uranium Corp.
700 – 1620 Dickson Avenue
Kelowna, British Columbia, Canada V1Y 9Y2

This management information circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult a professional advisor. If you have any questions or require more information with respect to the procedures for voting, please contact Fission Uranium Corp.'s proxy solicitation agent:

Laurel Hill Advisory Group

North American Toll-Free Number: 1-877-452-7184

Outside North America: +1 416-304-0211

E-mail: assistance@laurelhill.com



LETTER TO FISSION SECURITYHOLDERS

July 25, 2024

Dear Fission Securityholders:

The Board of Directors (the "**Board**") of Fission Uranium Corp. (the "**Company**" or "**Fission**") invites you to attend the special meeting (the "**Meeting**") of the holders of common shares ("**Fission Shares**") of the Company (the "**Fission Shareholders**"), the holders of options to purchase Fission Shares ("**Fission Options**") of the Company (the "**Fission Optionholders**"), and collectively with the Fission Shareholders, the "**Fission Securityholders**") to be held in person at Suite 3500, 1133 Melville street, The Stack, Vancouver, BC V6E 4E5 on August 26, 2024 at 10:00 a.m. (Pacific time).

The Arrangement and Premium Consideration

At the Meeting, the Fission Securityholders will be asked to consider and, if deemed advisable, pass, with or without variation, a special resolution (the "**Arrangement Resolution**") to approve an arrangement (the "**Arrangement**"), in accordance with the terms of an arrangement agreement (the "**Arrangement Agreement**") entered into by the Company, Paladin Energy Ltd. ("**Paladin**") and 1000927136 Ontario Inc. (the "**Purchaser**") as of June 24, 2024, as amended on July 25, 2024, pursuant to which Paladin, through the Purchaser, will acquire all of the issued and outstanding Fission Shares by way of a statutory plan of arrangement (the "**Plan of Arrangement**") under Section 192 of the *Canada Business Corporations Act*.

Under the terms of the Arrangement Agreement, which was negotiated at arm's length, each Fission Shareholder (other than Dissenting Shareholders and Ineligible Shareholders, each as defined in the Circular) will receive on the completion of the Arrangement 0.1076 of an ordinary share in the capital of Paladin (each whole ordinary share, a "**Paladin Share**") for each Fission Share held (the "**Share Consideration**"). Each Ineligible Shareholder will receive the net proceeds from the sale of Paladin Shares attributable to such Ineligible Shareholder under the Plan of Arrangement pursuant to the sale facility established by Paladin (the "**Sale Facility Proceeds**").

Pursuant to the Arrangement, each Fission Option (whether vested or unvested) outstanding immediately prior to 12:01 a.m. (Eastern time) on the date on which the Arrangement becomes effective (the "**Effective Time**") shall be deemed to be vested to the fullest extent and shall be, and shall be deemed to be, transferred and assigned by the holder to the Purchaser in exchange for a number of Paladin Shares per Fission Option equal to (A) the amount by which the implied offer price of \$1.30 (the "**Offer Price**") exceeds the exercise price payable under such Fission Option to acquire one Fission Share, divided by the Offer Price, multiplied by (B) 0.1076 (the "**Exchange Ratio**"), with such Fission Option thereafter immediately being cancelled. The Company's Amended and Restated Stock Option Plan dated December 15, 2016, and last approved by Fission Shareholders on June 28, 2022 (the "**Option Plan**"), all Fission Option grant agreements and all documents or instruments evidencing Fission Options immediately prior to the Effective Time shall be terminated and shall be of no further force or effect. Following the Effective Time none of the Company, nor Paladin nor the Purchaser shall have any obligation under or liability to any person with respect to, the Option Plan, any Fission Option grant agreement or any documents or instruments evidencing Fission Options immediately prior to the Effective Time.

The Share Consideration represents a premium of 25.8% to the closing price and a premium of 30% to the 20-day volume-weighted average price ("**VWAP**") of the Fission Shares on the Toronto Stock Exchange ("**TSX**") as at June 21, 2024, being the last trading day prior to the date of the Arrangement Agreement. The total equity value of the Share Consideration pursuant to the Arrangement is \$1.14 billion based on the closing price of the Paladin Shares on the Australian Securities Exchange ("**ASX**") of A\$13.24 on June 21, 2024 converted to \$12.04 using the AUD/CAD exchange rate as of June 21, 2024 being \$0.91 per A\$1.00, and 95 million Paladin Shares issued using Fission's 880 million fully diluted shares based on the treasury stock

method and the Exchange Ratio. If consummated, the Arrangement would result in the Fission Shareholders owning up to approximately 24.0% of the outstanding Paladin Shares immediately following completion of the Arrangement, on a fully diluted basis, based on the expected Paladin Shares issued and outstanding immediately following completion of the Plan of Arrangement.

Support Agreements

Certain members of the Board and senior officers of Fission, owning in aggregate approximately 0.7% of the outstanding Fission Securities, have entered into support agreements with Paladin, pursuant to which, among other things, they have agreed to vote or cause to be voted all of the Fission Securities held or controlled by them in favour of the Arrangement Resolution.

Recommendations of the Board and the Special Committee

A special committee of the Board, comprised of independent directors of the Board (the “**Special Committee**”) has advised the Board that, after careful consideration of such matters as it considered relevant, as more fully described under the heading “*The Arrangement – Reasons for the Arrangement*” contained in the enclosed management information circular dated July 22, 2024 (the “**Circular**”), that the Arrangement is in the best interests of the Company:

Attractive and Immediate Premium – a 30% premium to Fission’s undisturbed 20-day VWAP, payable in Paladin Shares so as to enable Fission Shareholders to continue to participate in the upside of the Patterson Lake South project (“**PLS**”) and Paladin.

Meaningful Ownership in a Global Multi-Asset Uranium Leader – Fission Shareholders will own approximately 24.0% of the outstanding Paladin Shares immediately following completion of the Arrangement, on a fully diluted basis, which will have a pro forma market capitalization of US\$3.5 billion (as of June 21, 2024) and a world-class production and growth pipeline.

Diversified Portfolio with Multi-Asset Production – If the Arrangement becomes effective, the Combined Company (as defined in the Circular) will have two projects in production by 2029 (Langer Heinrich Mine and PLS) and a pro-forma Mineral Resources of 544Mlb and Ore Reserves of 157 Mlb, representing one of the largest amongst pure-play uranium companies globally spread across tier-1 uranium jurisdictions of Canada, Namibia and Australia.

De-risks PLS Development – Paladin has a strong balance sheet with US\$50 million in cash and US\$125 million, as of March 31, 2024, in available debt facilities, along with expected future cash flows from the commencement of production at the Langer Heinrich Mine, which can be leveraged to fund the development of PLS, thereby reducing dilution to Fission Shareholders. Paladin’s project delivery, uranium marketing and processing expertise will complement Fission’s technical strength, de-risking the development of PLS and maximizing value for shareholders.

Continued Participation and Ability to Progress Development of PLS – Fission Shareholders will continue to have exposure to PLS through their Paladin Shares following completion of the Arrangement.

Increased International Capital Market Presence – Opportunity to retain TSX-listed shares in a leading ASX100 growth-focused uranium company providing increased trading liquidity and an enhanced capital markets presence.

Paladin’s Commitment to Canada – Paladin owns the Michelin Project, an advanced exploration stage uranium project in the highly prospective Central Mineral Belt of Labrador, since 2011. The anticipated re-listing of Paladin Shares on the TSX and the addition of PLS significantly grows Paladin’s commitment to uranium exploration.

Access to Near-term Cash-Flow from Langer Heinrich Mine – Fission Shareholders will gain exposure to the globally significant Langer Heinrich Mine, where Paladin successfully recommenced commercial production on March 30, 2024. Paladin has built a high-quality contract portfolio with tier-1 utilities in the US, Europe and Asia. These internationally based utilities account for over 20% of global uranium consumption. Fission Shareholders will benefit in the near term from Paladin’s contract portfolio,

which is 80% exposed to uncapped market prices. Paladin also has flexible shipping arrangements and early payment terms with its largest customer, providing significant delivery flexibility and improved cash flow during the ramp-up of operations at the Langer Heinrich Mine.

Robust and Supervised Negotiation Process – The Arrangement is the result of a robust negotiation process that was undertaken under the supervision of the Special Committee, which was comprised entirely of independent directors, and which received advice from independent advisors throughout the process.

CFCC Opinion – The receipt by the Special Committee of the CFCC Opinion (as defined in the Circular) which concluded that, as of June 23, 2024, subject to and based on the assumptions, qualifications and limitations contained therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders. See “*The Arrangement – Fairness Opinions – CFCC Opinion*” in the Circular. Fission Securityholders are urged to read the CFCC Opinion in its entirety. The full text of the CFCC Opinion attached as Appendix E to the Circular.

SCP Opinion – The receipt by the Board of the SCP Opinion (as defined in the Circular) which concluded that, as of the date of such opinion, subject to and based on the assumptions, qualifications and limitations contained therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders. See “*The Arrangement – Fairness Opinions – SCP Opinion*” in the Circular. Fission Securityholders are urged to read the SCP Opinion in its entirety. The full text of the SCP Opinion attached as Appendix F to this Circular.

Ability to Respond to Unsolicited Superior Proposals – Subject to the terms of the Arrangement Agreement, the Board will remain able to respond to any unsolicited *bona fide* written proposal that, having regard for all of its terms and conditions, if consummated in accordance with its terms, could reasonably be expected to lead to a Superior Proposal. The amount of the termination fee payable by Fission to the Purchaser in certain circumstances, being \$40 million, is within the range of termination fees considered reasonable for transactions of this size and nature and would not, in the view of the Board preclude a third party from making a Superior Proposal (as defined in the Circular).

The Special Committee has unanimously determined that the Arrangement is in the best interests of Fission, is fair to Fission Shareholders and is fair and reasonable to stakeholders whose rights are affected by the Arrangement, and has unanimously recommended to the Board that it authorize and approve Fission entering into the Arrangement Agreement and the performance of its obligations thereunder and recommend to the Fission Securityholders that they vote in favour of the Arrangement Resolution.

The Board, after careful consideration of such matters as it considered relevant, as more fully described under the heading “*The Arrangement – Reasons for the Arrangement*” contained in the enclosed Circular, including, among other things, a thorough review of the Arrangement Agreement, and taking into account the best interests of Fission, and after evaluating the Arrangement with management and Fission’s legal and financial advisors, including receipt of the SCP Opinion (as defined and discussed in the enclosed Circular), and upon the unanimous recommendation of the Special Committee, the Board has determined the Arrangement is in the best interests of Fission and is fair to Fission Shareholders and that it is advisable and in the best interests of Fission to approve the entering into and execution and delivery of the Arrangement Agreement and the performance of its obligations thereunder, and has approved the Arrangement. **Accordingly, the Board recommends that the Fission Securityholders vote FOR the Arrangement.**

Letter of Transmittal

If you are a registered Fission Shareholder, in order to receive the Share Consideration, you must submit the enclosed letter of transmittal (the “**Letter of Transmittal**”). Please refer to the enclosed Circular and the Letter of Transmittal for additional information. If you are a beneficial Fission Shareholder (i.e., if you hold Fission Shares through a broker, custodian, nominee or other intermediary), you should follow the instructions provided by your intermediary. Ineligible Shareholders will also be

required to complete a Letter of Transmittal in order to receive their portion of the Sale Facility Proceeds by way of cheque or wire transfer.

If you are a registered Fission Shareholder, we encourage you to complete, sign, date and return the enclosed Letter of Transmittal in accordance with the instructions set out therein and in the Circular, together with your certificate(s) or DRS advice statement(s) representing your Fission Shares to Fission's depository and transfer agent, Computershare Investor Services Inc. ("**Computershare**") at the address specified in the Letter of Transmittal.

VOTE YOUR FISSION SHARES AND FISSION OPTIONS TODAY FOR THE ARRANGEMENT RESOLUTION

Your vote is very important regardless of the number of Fission Shares and Fission Options you own. If you are a registered Fission Shareholder or Fission Optionholder and you are unable to attend the Meeting, we encourage you to complete, sign, date and return the applicable proxy accompanying the Circular so that your Fission Shares and Fission Options as the case may be, can be voted at the Meeting (or at any adjournments or postponements thereof) in accordance with your instructions. To be effective, the enclosed proxy must be received by Computershare according to the instructions on the proxy, not later than 10:00 a.m. (Pacific time) on August 22, 2024, or not later than 48 hours (other than a Saturday, Sunday or holiday in the Province of British Columbia) immediately preceding the time of the Meeting (as it may be adjourned or postponed from time to time). Voting by proxy will not prevent you from voting in person at the Meeting if you attend the Meeting, but will ensure that your vote will be counted if you are unable to attend.

Securityholder Questions

Fission Securityholders who have questions or need assistance with voting their Fission Shares or Fission Options should contact Laurel Hill Advisory Group by telephone at 1-877-452-7184 (toll-free in North America), or +1 416-304-0211 (outside North America), or e-mail at assistance@laurelhill.com.

On behalf of the Board and the Special Committee, I thank all Fission Shareholders and Fission Optionholders for their continued support and we look forward to receiving your endorsement for this exciting transaction at the Meeting.

Yours very truly,

(signed) "*Ross McElroy*"

Ross McElroy
CEO, President & Director



NOTICE OF SPECIAL MEETING OF FISSION SECURITYHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting (the “**Meeting**”) of holders (collectively, the “**Fission Securityholders**”) of common shares (“**Fission Shares**”) and holders of options (“**Fission Options**”, and collectively with the Fission Shares, the “**Fission Securities**”) of Fission Uranium Corp. (the “**Company**” or “**Fission**”) will be held in person at Suite 3500, 1133 Melville, The Stack, Vancouver BC V6E 4E5 on August 26, 2024 at 10:00 a.m. (Pacific time) for the following purposes:

1. in accordance with the interim order of the Supreme Court of British Columbia (the “**Court**”) dated July 19, 2024 (the “**Interim Order**”), for Fission Securityholders to consider and, if deemed advisable, to pass, with or without variation, a special resolution (the “**Arrangement Resolution**”), the full text of which is set forth in Appendix A to the accompanying management information circular of Fission dated July 22, 2024 (the “**Circular**”), approving the proposed arrangement (the “**Arrangement**”) under Section 192 of the *Canada Business Corporations Act* (“**CBCA**”) involving Fission, Paladin Energy Ltd. (“**Paladin**”) and 1000927136 Ontario Inc. (the “**Purchaser**”), as more particularly described in the Circular; and
2. to transact such further or other business as may properly come before the Meeting and any adjournments or postponements thereof.

The completion of the Arrangement is conditional upon, among other things, the approval of the Arrangement Resolution by the Fission Securityholders and the receipt of all regulatory and court approvals.

Specific details of the matters to be put before the Meeting are set forth in the Circular.

The Board of Directors of Fission (the “Board”) recommends that the Fission Securityholders vote FOR the Arrangement Resolution.

Pursuant to the Interim Order, the record date for determining the Fission Securityholders who are entitled to receive notice of, attend and vote at the Meeting is July 19, 2024 (the “**Record Date**”). Only registered shareholders of Fission (“**Registered Fission Shareholders**”) and holders of Fission Options (“**Fission Optionholders**”), as of the Record Date are entitled to receive this notice of the Meeting (“**Notice of Meeting**”) and to attend and vote at the Meeting. This Notice of Meeting is accompanied by the Circular and proxy forms, and for Registered Fission Shareholders, a letter of transmittal (the “**Letter of Transmittal**”).

Each Registered Fission Shareholder whose name is entered on the securities register of the Company at the close of business on the Record Date is entitled to one vote for each Fission Share registered in his, her or its name. Each Fission Optionholder whose name is entered on the applicable securities register of the Company for such securities at the close of business on the Record Date is entitled to one vote for each Fission Option held in his, her or its name.

In order to vote by proxy, Registered Fission Shareholders and Fission Optionholders must fill out the applicable form(s) of proxy and return it by mail, or use one of the other methods described under the heading “Solicitation of Proxies and Voting Instructions” of the Circular. If you are both a Registered Fission Shareholder and a Fission Optionholder and are voting by proxy, you must fill out both forms of proxy (if voting by mail), or complete the voting procedures twice (if voting by telephone or internet), to ensure your vote is properly counted.

Registered Fission Shareholders and Fission Optionholders who are unable to attend the Meeting are encouraged to read, complete, sign, date and return the applicable enclosed form(s) of proxy in accordance with the instructions set out therein and in the Circular. In order to be valid for use at the Meeting, proxies must be received by Computershare Investor Services Inc. (“**Computershare**”), by 10:00 a.m. (Pacific time) on August 22, 2024 or at least 48 hours (excluding Saturdays, Sundays and

holidays in the Province of British Columbia) prior to the time of the Meeting in the event of any adjournment or postponement thereof. The time limit for proxies may be waived or extended, with or without notice, by the chair of the Meeting at his or her sole discretion.

Registered Fission Shareholders, Fission Optionholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting. A Fission Securityholder who wishes to appoint a person other than the management nominees identified on the applicable form(s) of proxy or voting instruction form (“VIF”), as applicable, to represent him, her or it at the Meeting may do so by inserting such person’s name in the blank space provided in the applicable form(s) of proxy or VIF, as applicable, and following the instructions for submitting such form of proxy or VIF, as applicable. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your applicable form(s) of proxy or VIF. **If you wish that a person other than the management nominees identified on the form of proxy or VIF attend and participate at the Meeting as your proxy and vote your Fission Shares and/or Fission Options, including if you are not a Registered Fission Shareholder and wish to appoint yourself as proxyholder to attend, participate and vote at the Meeting, you MUST submit your form of proxy (or proxies) or VIF, as applicable in accordance with the instructions set out in the Circular and your appointee must attend the meeting in order for your vote to count.**

Voting by proxy will not prevent you from voting at the Meeting if you attend the Meeting but will ensure that your vote will be counted if you are unable to attend. Beneficial Fission Shareholders should carefully follow the instructions of their intermediaries to ensure that their Fission Shares are voted at the Meeting in accordance with such Fission Shareholder’s instructions. Please refer to the section in the Circular entitled “*Information Concerning the Meeting – Proxies and Voting – Beneficial Shareholder Voting*” for information on how to vote your Fission Shares if you are a Beneficial Fission Shareholder.

Voting Methods			
Registered Shareholders and Optionholders <i>Fission Securities held in own name and represented by a physical certificate or DRS statement and have a 15-digit control number.</i>	Vote online at www.investorvote.com	1-866-732-8683	Return the completed Form of Proxy or Voting Instruction Form in the enclosed postage paid envelope.
Beneficial Shareholders <i>Fission Shares held with a broker, bank or other intermediary and have a 16-digit control number.</i>	Vote online at www.proxyvote.com	Canada: 1-800-474-7493 (EN) or 1-800-474-7501 (FR) USA: 1-800-454-8683	

The form of proxy and the VIF confer discretionary authority with respect to amendments or variations to the matters of business to be considered at the Meeting and such other matters that may properly come before the Meeting. As of the date hereof, the management of Fission knows of no amendments, variations or other matters to come before the Meeting other than the matters set forth in this Notice of Meeting. Fission Shareholders who are planning on returning the accompanying form of proxy or VIF are encouraged to review the Circular carefully before submitting the proxy form or VIF. **It is the intention**

of the persons named in the enclosed form of proxy or VIF, if not expressly directed otherwise in such form of proxy or VIF, to vote **FOR** the Arrangement Resolution.

Each Registered Fission Shareholder as of the Record Date has been granted the right to dissent in respect of the Arrangement. If the Arrangement Resolution is passed, a Registered Fission Shareholder that has duly and validly exercised their dissent rights in the manner set forth and in strict compliance with the provisions of Section 190 of the CBCA, as modified by the Interim Order, the Plan of Arrangement and any other order of the Court, has the right to be paid the fair value of its, his or her Fission Shares. The right of a Registered Fission Shareholder to dissent is more particularly described in the Circular and a complete copy of Section 190 of the CBCA is included as Appendix I to the Circular. To exercise this right, a Registered Fission Shareholder must (i) provide to Fission by mail c/o Blake, Cassels & Graydon LLP, 1133 Melville Street, Suite 3500, Vancouver BC V6E 4E5 attention: Alexandra Luchenko or by e-mail to alexandra.luchenko@blakes.com by no later than 5:00 p.m. (Pacific time) on August 22, 2024, or two business days prior to the date of any postponed or adjourned Meeting, a written objection to the Arrangement Resolution and (ii) otherwise comply strictly with the provisions of Section 190 of the CBCA as modified by the Interim Order, the Plan of Arrangement and any other order of the Court. Failure to comply strictly with these requirements may result in the loss of any right to dissent. It is strongly suggested that any Registered Fission Shareholder wishing to dissent seek independent legal advice.

If you have any questions or require any assistance voting your shares, please contact Laurel Hill Advisory Group by telephone at 1-877-452-7184 (toll-free in North America), or +1 416-304-0211 (outside North America), or e-mail at assistance@laurelhill.com.

Dated at Kelowna, British Columbia as of July 22, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS OF
FISSION URANIUM CORP.**

(signed) *"Ross McElroy"*

Ross McElroy
CEO, President & Director
Fission Uranium Corp.

FREQUENTLY ASKED QUESTIONS ABOUT THE MEETING

Following are some questions that you, as a Fission Securityholder, may have relating to the Meeting and answers to those questions. These questions and answers do not provide all of the information relating to the Meeting or the matters to be considered at the Meeting and are qualified in their entirety by the more detailed information contained elsewhere in this Circular. You are urged to read this Circular in its entirety before making a decision related to your Fission Shares or Fission Options. All capitalized terms used herein have the meanings ascribed to them in the “Glossary of Terms” of the Circular.

Q: What am I voting on?

A: You are being asked to consider and, if deemed acceptable, to vote **FOR** the Arrangement Resolution, which approves, among other things, the Plan of Arrangement pursuant to which Paladin, through the Purchaser, will acquire all of the issued and outstanding Fission Shares.

Q: What is a Plan of Arrangement?

A: A plan of arrangement is a statutory procedure under Canadian corporate law that allows companies to carry out transactions with the approval of their shareholders and the Court. The Plan of Arrangement you are being asked to consider will provide for, among other things, the acquisition by the Purchaser, a subsidiary of Paladin, of all the issued and outstanding Fission Shares.

Q: What will I receive in the Arrangement?

A: ***Fission Shareholders***

Fission Shareholders (other than Dissenting Shareholders and Ineligible Shareholders) will be entitled to receive 0.1076 Paladin Shares for each Fission Share held. Paladin anticipates re-listing the Paladin Shares on the TSX after the completion of the Arrangement, subject to Paladin receiving approval from, and fulfilling all of the original listing requirements of, the TSX.

Ineligible Shareholders will not receive Paladin Shares upon the completion of the Arrangement. Instead, Ineligible Shareholders will receive the Sale Facility Proceeds attributable to them under the Plan of Arrangement.

For additional information on the treatment of Fission Shares pursuant to the Plan of Arrangement, please see “*The Arrangement — Effect and Details of the Arrangement*”.

Fission Optionholders

Pursuant to the Arrangement, each Fission Option (whether vested or unvested) outstanding immediately prior to the Effective Time shall be deemed to be vested to the fullest extent and shall be, and shall be deemed to be, transferred and assigned by the holder thereof to the Purchaser in exchange for a number of Paladin Shares equal to (A) the amount by which the Offer Price exceeds the exercise price payable under such Fission Option to acquire one Fission Share, divided by the Offer Price, multiplied by (B) the Exchange Ratio, with such Fission Option thereafter immediately being cancelled.

The Option Plan, all Fission Option grant agreements and all documents or instruments evidencing Fission Options immediately prior to the Effective Time shall be terminated and shall be of no further force or effect. Following the Effective Time none of the Company, Paladin nor the Purchaser shall have any obligation under or liability to any person with respect to, the Option Plan, any Fission Option grant agreement or any documents or instruments evidencing Fission Options immediately prior to the Effective Time.

For additional information on the treatment of Fission Options pursuant to the Plan of Arrangement, please see “*The Arrangement — Effect and Details of the Arrangement*”.

Q: What is the recommendation of the Board of Directors?

A: After taking into consideration the unanimous recommendation of the Special Committee and such other matters as it considered relevant, including the factors described under the heading “*The Arrangement – Reasons for the Arrangement*”, the Board has concluded that the Arrangement is in the best interests of the Company and recommends that Fission Securityholders vote **FOR** the Arrangement Resolution.

Q: Why is the Board of Directors making this recommendation?

A: In reaching their conclusion that the Arrangement is in the best interests of the Company and is fair to Fission Shareholders, the Board considered and relied upon a number of factors, including among others, the following (for complete details, please refer to the section “*The Arrangement – Reasons for the Arrangement*” in this Circular):

- **Attractive and Immediate Premium** – a 30% premium to Fission’s undisturbed 20-day VWAP, payable in Paladin Shares so as to enable Fission Shareholders to continue to participate in the upside of PLS and Paladin.
- **Meaningful Ownership in a Global Multi-Asset Uranium Leader** – Fission Shareholders will own approximately 24.0% of the outstanding Paladin Shares immediately following completion of the Arrangement, on a fully diluted basis, which will have a pro forma market capitalization of US\$3.5 billion (as of June 21, 2024) and a world-class production and growth pipeline.
- **Diversified Portfolio with Multi-Asset Production** - If the Arrangement becomes effective, the Combined Company will have two projects in production by 2029 (Langer Heinrich Mine and PLS) and a pro-forma Mineral Resources of 544Mlb and Ore Reserves of 157 Mlb, representing one of the largest amongst pure-play uranium companies globally spread across tier-1 uranium jurisdiction of Canada, Namibia and Australia.
- **De-risks PLS Development** - Paladin has a strong balance sheet with US\$50 million in cash and US\$125 million, as of March 31, 2024, in available debt facilities, along with expected future cash flows from the commencement of production at the Langer Heinrich Mine, which can be leveraged to fund the development of PLS, thereby reducing dilution to Fission Shareholders. Paladin’s project delivery, uranium marketing and processing expertise will complement Fission’s technical strength, de-risking the development of PLS and maximizing value for shareholders.
- **Continued Participation and Ability to Progress Development of PLS** - Fission Shareholders will continue to have exposure to PLS through their Paladin Shares following completion of the Arrangement.
- **Increased International Capital Market Presence** - Opportunity to retain TSX-listed shares in a leading ASX100 growth-focused uranium company providing increased trading liquidity and an enhanced capital markets presence.
- **Paladin’s Commitment to Canada** – Paladin owns the Michelin Project, an advanced exploration stage uranium project in the highly prospective Central Mineral Belt of Labrador, since 2011. The anticipated re-listing of Paladin Shares on the TSX and the addition of PLS significantly grows Paladin’s commitment to uranium exploration.
- **Access to Near-term Cash-Flow from Langer Heinrich Mine** – Fission Shareholders will gain exposure to the globally significant Langer Heinrich Mine, where Paladin successfully recommenced commercial production on March 30, 2024. Paladin has built a high-quality contract portfolio with tier-1 utilities in the US, Europe and Asia.

These internationally based utilities account for over 20% of global uranium consumption. Fission Shareholders will benefit in the near term from Paladin's contract portfolio, which is 80% exposed to uncapped market prices. Paladin also has flexible shipping arrangements and early payment terms with its largest customer, providing significant delivery flexibility and improved cash flow during the ramp-up of operations at the Langer Heinrich Mine.

- **Robust and Supervised Negotiation Process** – The Arrangement is the result of a robust negotiation process that was undertaken under the supervision of the Special Committee, which was comprised entirely of independent directors, and which received advice from independent advisors throughout the process.
- **CFCC Opinion** – The receipt by the Special Committee of the CFCC Opinion which concluded that, as of June 23, 2024, subject to and based on the assumptions, qualifications and limitations contained therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders. See “*The Arrangement – Fairness Opinions – CFCC Opinion*” in the Circular. Fission Securityholders are urged to read the CFCC Opinion in its entirety. The full text of the CFCC Opinion attached as Appendix E to this Circular.
- **SCP Opinion** – The receipt by the Board of the SCP Opinion which concluded that, as of the date of such opinion, subject to and based on the assumptions, qualifications and limitations contained therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders. See “*The Arrangement – Fairness Opinions – SCP Opinion*” in the Circular. Fission Securityholders are urged to read the SCP Opinion in its entirety. The full text of the SCP Opinion attached as Appendix F to this Circular.
- **Ability to Respond to Unsolicited Superior Proposals** – Subject to the terms of the Arrangement Agreement, the Board will remain able to respond to any unsolicited bona fide written proposal that, having regard for all of its terms and conditions, if consummated in accordance with its terms, could reasonably be expected to lead to a Superior Proposal. The amount of the termination fee payable by Fission to the Purchaser in certain circumstances, being \$40 million, is within the range of termination fees considered reasonable for transactions of this size and nature and would not, in the view of the Board preclude a third party from making a Superior Proposal (as defined in the Circular).
- **Fairness of the Conditions** – The Arrangement Agreement provides for certain conditions to completion of the Arrangement, which conditions are not unduly onerous or outside market practice and could reasonably be expected to be satisfied in the judgment of the Board.
- **Ability to Close** – The Parties are committed to completing the Arrangement and anticipate that the Parties will be able to complete the Arrangement, in accordance with the terms of the Arrangement Agreement, within a reasonable time and in any event prior to the Outside Date.
- **Securityholder and Court Approval** – The Arrangement is subject to the following securityholder and Court approvals, which protect Fission Securityholders:
 - (i) The Arrangement Resolution requires approval of at least (i) two thirds of the votes cast on the Arrangement Resolution by Fission Shareholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class; (ii) two third of the votes cast on the Arrangement Resolution by Fission Shareholders and Fission Optionholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class (iii) a simple majority of votes attached to Fission Securities held by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting excluding those votes attached to Fission Securities held or controlled by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions; and

(ii) The Arrangement is subject to a determination of the Court that the Arrangement is fair and reasonable, both procedurally and substantively, to Fission Securityholders and other affected Persons.

- **Regulatory Approvals** – The completion of the Arrangement is subject to receipt of the Key Regulatory Approvals.
- **Dissent Rights** – The terms of the Plan of Arrangement provide that Registered Fission Shareholders who oppose the Arrangement may, upon compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive fair value for their Fission Shares (as described in the Plan of Arrangement).

Q: When and where is the Meeting?

A: The Meeting will take place at Suite 3500, 1133 Melville Street, The Stack, Vancouver BC, V6E 4E5 on August 26, 2024 at 10:00 a.m. (Pacific time).

Q: Who is soliciting my proxy?

A: Your proxy is being solicited by management of Fission. This Circular is furnished in connection with that solicitation. The solicitation of proxies for the Meeting will be made primarily by mail, but proxies may also be solicited personally or by telephone, e-mail, internet, facsimile transmission or other electronic or other means of communication by directors, officers, employees, agents or other representatives of Fission. In addition, Fission has engaged Laurel Hill Advisory Group, as its proxy solicitation agent, to assist in the solicitation of proxies with respect to the matters to be considered at the Meeting.

If you have questions or need assistance completing your form(s) of proxy or voting instruction form please contact Laurel Hill Advisory Group by telephone at 1-877-452-7184 (toll-free in North America), or +1 416-304-0211 (outside North America), or e-mail at assistance@laurelhill.com.

If you have any questions about depositing Fission Shares pursuant to the Arrangement, including with respect to completing the Letter of Transmittal, please contact Computershare, by telephone at 1-800-564-6253 (toll-free in North America) or 1-514-982-7555 (outside North America), or by e-mail at corporateactions@computershare.com.

Q: Who can attend and vote at the Meeting?

A: Only Registered Fission Shareholders and Fission Optionholders of record as of the close of business on the Record Date, or duly appointed proxyholders, are entitled to attend and vote at the Meeting or any adjournments or postponements thereof.

Beneficial Fission Shareholders as of close of business on the Record Date may attend the Meeting and vote in person, provided they have appointed themselves proxy. If you are a Beneficial Fission Shareholder, please refer to the instructions on the voting instruction form that accompanies this Circular.

Q: What is the quorum for the Meeting?

A: For all purposes contemplated by this Circular, the quorum for the Meeting is at least two individuals present in person, each being a Fission Shareholder or a duly appointed proxyholder entitled to vote at the Meeting, holding or representing, in the aggregate, at least 25% of the issued and outstanding Fission Shares entitled to vote at the Meeting.

Q: How many Fission Securities are entitled to vote?

A: As at the Record Date, there were 856,367,927 Fission Shares and 71,884,000 Fission Options outstanding and entitled to vote at the Meeting. You are entitled to one vote for each Fission Share registered in your name and/or one vote for each Fission Option held in your name.

Q: Who is an Ineligible Shareholder?

A: An Ineligible Shareholder is a Fission Shareholder who is, or appears to Paladin and the Purchaser to be, a resident of a jurisdiction (other than Canada, the United States, the United Kingdom or China) in which the issuance and/or delivery of the Paladin Shares pursuant to the Arrangement to such Fission Shareholder would be contrary to applicable Law or otherwise subject to any prospectus, registration, disclosure, regulatory filing or other similar requirement under applicable Law. For greater certainty, no Fission Shareholder who is, or appears to Paladin and the Purchaser to be, a resident of Canada, the United States, the United Kingdom, or China, is an Ineligible Shareholder.

Q: What happens if I am an Ineligible Shareholder?

A: Ineligible Shareholders will not receive Paladin Shares upon completion of the Arrangement. Instead, the Sale Shares attributable to each Ineligible Shareholder in accordance with the Plan of Arrangement will be sold by the Sale Agent, for the benefit, and at the risk, of such Ineligible Shareholder pursuant to the Sale Facility as soon as reasonably practicable after the Effective Date. The Sale Facility Proceeds attributable to each Ineligible Shareholder in accordance with the Plan of Arrangement will be remitted to such Ineligible Shareholder as soon as reasonably practicable after the sale of such Sale Shares pursuant to the Sale Facility.

See *“The Arrangement – Ineligible Shareholders and the Sale Facility”* in this Circular for more information.

Q: Do I need to send my Fission Share certificates or DRS Advices to vote on the Arrangement?

A: No, you are not required to send your certificate(s), DRS Advice(s) or other documents representing Fission Securities to validly cast your vote in respect of the Arrangement Resolution.

Q: Do I need to send my Fission Share certificates or DRS Advices to receive consideration under the Arrangement?

A: Yes. **In order to receive the Share Consideration or Sale Facility Proceeds, as applicable, you will need to deliver the certificates or DRS Advice(s) representing your Fission Shares, along with a properly completed and duly executed Letter of Transmittal to Computershare.** If your Fission Shares are evidenced only by a DRS Advice, you are not required to first obtain a certificate for those Fission Shares. See *“The Arrangement – Exchange of Fission Securities – DRS Advices”* for more information.

We encourage Registered Fission Shareholders (including Ineligible Shareholders) to complete, sign, date and return the enclosed Letter of Transmittal, together with the certificate(s) or DRS Advice(s) representing Fission Shares, in accordance with the instructions set out in the form of proxy, as soon as possible, as this will assist in arranging for the prompt exchange of their Fission Shares if the Arrangement is completed.

Do not send your Letter of Transmittal or certificate(s)/DRS Advice(s) representing your Fission Shares to Fission.

Q: When can I expect to receive the Share Consideration or Sale Facility Proceeds?

A: If you are a Registered Fission Shareholder (other than an Ineligible Shareholder), you will receive the Share Consideration as soon as reasonably practicable after the Effective Date and you have properly delivered the required

documentation to Computershare, including a duly completed Letter of Transmittal and the certificate(s) or DRS Advice(s) representing your Fission Shares.

If you hold your Fission Shares through an Intermediary, then you are not required to take any action and the Share Consideration you are entitled to receive will be delivered to your Intermediary through procedures in place for such purposes between CDS & Co. or similar entities and such Intermediaries. You should contact your Intermediary if you have any questions regarding this process.

Ineligible Shareholders that have properly delivered the required documentation to Computershare, including a duly completed Letter of Transmittal and the certificate(s) or DRS Advice(s) representing your Fission Shares, will receive the Sale Facility Proceeds as soon as reasonably practicable following the sale of the relevant Sale Shares pursuant to the Sale Facility.

The method used to deliver the Letter of Transmittal and any accompanying certificates representing Fission Shares, is at the option and risk of the Registered Fission Shareholder (including any Registered Fission Shareholder that is an Ineligible Shareholder) and delivery will be deemed effective only when such documents are actually received. Fission recommends that the necessary documentation be hand delivered to Computershare at its office(s) specified on the last page of the Letter of Transmittal and a receipt obtained; otherwise, the use of registered mail with return receipt requested, properly insured, is recommended. If your Fission Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee, you should contact that nominee for assistance in depositing those Fission Shares.

For additional information, including information regarding how Computershare will send you the Share Consideration, please see *“The Arrangement — Exchange of Fission Securities”*.

Q: As a holder of Fission Options, what documentation do I need to submit to be able to receive the Option Consideration?

A: Fission Optionholders are not required to submit any documentation to receive the Option Consideration. The process is managed electronically by Computershare, as further detailed under the heading *“The Arrangement — Exchange of Fission Securities — Procedure for Exchange of Fission Options”*.

As a result, no further action is necessary on your part to receive your Option Consideration.

Q: As a Registered Fission Shareholder, what happens if I submit my Letter of Transmittal (if applicable) and the associated documentation, including the certificate(s) or DRS Advice(s) representing my Fission Shares, and the Arrangement Resolution is not approved or the Arrangement is otherwise not completed?

A: If the Arrangement Resolution is not approved or if the Arrangement is not otherwise completed, your certificate(s) and/or DRS Advice(s) and any other documentation associated with your ownership of Fission Shares will be returned promptly to you by Computershare.

Q: Am I a Registered Fission Shareholder or a Beneficial Fission Shareholder?

A: Registered Fission Shareholders hold Fission Shares registered in their names and such Fission Shares are generally evidenced by a certificate or DRS Advice. However, most Fission Shareholders beneficially own their Fission Shares through an Intermediary. If your Fission Shares appear on an account statement provided by your bank, broker or financial advisor, you are, in all likelihood, a Beneficial Fission Shareholder. **Beneficial Fission Shareholders should carefully follow the instructions of their Intermediaries, in addition to the instructions set forth in the Circular, to ensure that their Fission Shares are voted at the Meeting in accordance with their instructions.**

Q: What vote is required at the Meeting to approve the Arrangement Resolution?

A: In order to become effective, the Arrangement must be approved by at least (i) two thirds of the votes cast on the Arrangement Resolution by Fission Shareholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class on the basis of one vote per Fission Share held; (ii) two thirds of the votes cast on the Arrangement Resolution by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class on the basis of one vote per Fission Share or Fission Option held; and (iii) a simple majority of votes attached to Fission Securities held by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting excluding those votes attached to Fission Securities held or controlled by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, voting together as a single class on the basis of one vote per Fission Share or Fission Option held.

Q: What voting rights do Fission Shares and Fission Options carry? How many votes do I have?

A: You are entitled to vote on the Arrangement Resolution if you were a holder of Fission Shares or Fission Options as at the close of business on the Record Date. Fission Securityholders are entitled to one vote for each Fission Share and/or one vote for each Fission Option held on the Record Date.

Q: How do I vote?

A: Registered Fission Shareholders and Fission Optionholders can vote in the following ways:

- **By Telephone:** Registered Fission Shareholders and Fission Optionholders based in Canada or the United States may vote by telephone by calling 1-866-732-8683. You will need to enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Registered Fission Shareholder or Fission Optionholder on the telephone voting system.
- **Internet Voting:** You may vote over the internet by going to www.investorvote.com. You will need to enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Registered Fission Shareholder or Fission Optionholder on the voting website.
- **By Mail:** Complete, sign and return the form(s) of proxy, utilizing the enclosed, postage paid return envelope, to:

Computershare Investor Services Inc.
100 University Ave, 8th Floor
Toronto, Ontario M5J 2Y1

- **In person during the Meeting:** You may vote in person by attending the Meeting to be held at Suite 3500, 1133 Melville Street, The Stack, Vancouver BC, V6E 4E5 on August 26, 2024 at 10:00 a.m. (Pacific time).

Beneficial Fission Shareholders, being those whose shares are held at a bank, brokerage, nominee or other intermediary, can vote by following the instructions set out in the enclosed VIF. Most banks, brokerages and nominees utilize Broadridge Financial Solutions to facilitate voting by their clients. If you have received a VIF with a 16-digit control number, you may vote by:

- **By Telephone:** Beneficial Fission Shareholders based in Canada may vote by telephone by calling 1-800-474-7493 (English) or 1-800-474-7501 (French), while those based in the United States may call 1-800-454-8683. You will need to enter your 16-digit control number from your VIF on the telephone voting system.

- **Internet Voting:** You may vote over the internet by going to www.proxyvote.com. You will need to enter your 16-digit control number located on your VIF.
- **By Mail:** Complete, sign and return the enclosed VIF utilizing the enclosed, postage paid return envelope.
- **In person during the Meeting:** You may vote in person if you have appointed yourself proxy in accordance with the instructions in your VIF. See “*Voting Instructions for Beneficial Shareholders*” for additional information.

Voting Methods			
Registered Shareholders and Optionholders <i>Fission Securities held in own name and represented by a physical certificate or DRS statement and have a 15-digit control number.</i>	Vote online at www.investorvote.com	1-866-732-8683	Return the completed Form of Proxy or Voting Instruction Form in the enclosed postage paid envelope.
Beneficial Shareholders <i>Fission Shares held with a broker, bank or other intermediary and have a 16-digit control number.</i>	Vote online at www.proxyvote.com	Canada: 1-800-474-7493 (EN) or 1-800-474-7501 (FR) USA: 1-800-454-8683	

Whether or not you expect to attend the Meeting, we encourage you to vote your form of proxy as promptly as possible to ensure that your vote will be counted at the Meeting.

See also “*When is the cut-off time for delivery of proxies and internet and telephone voting?*” below.

The persons named in the forms of proxy and voting instruction form are our directors and/or officers. **However, as further described herein, you may choose another person to act as your proxyholder, including someone who is not a Fission Shareholder, by inserting such person’s name in the space provided in the form of proxy or voting instruction form.**

On the form of proxy, you may indicate either how you want your proxyholder to vote your Fission Shares or Fission Options, or you can let your proxyholder decide for you. If you have specified on the form of proxy how you want your Fission Securities to be voted on a particular matter (by marking **FOR** or **AGAINST**), then your proxyholder must vote your Fission Shares or Fission Options accordingly. If you have not specified on the form of proxy how you want your Fission Securities to be voted on a particular matter, then your proxyholder can vote your Fission Shares or Fission Options as he, she or it sees fit. **Unless contrary instructions are provided, the voting rights attached to the Fission Shares and Fission Options by proxies received by the management of Fission will be voted IN FAVOUR OF the Arrangement Resolution.**

The form of proxy confers discretionary authority with respect to: (i) amendments or variations to the matters of business to be considered at the Meeting; and (ii) other matters that may properly come before the Meeting. As of the date of this Circular, the management of Fission is not aware of any amendments, variations or other matters to come before the Meeting, other than the matters set forth in the Notice of Meeting included in this Circular. If, however, other matters properly come before the Meeting, the persons named in the forms of proxy and voting instruction form will vote on them in accordance with their judgment, pursuant to the discretionary authority conferred upon them by the form of proxy with respect to such matters.

Beneficial Fission Shareholders should carefully follow all instructions provided by their Intermediaries to ensure that their Fission Shares are voted at the Meeting. See *“Information Concerning the Meeting -- Proxies and Voting”*.

Q: As a holder of both Fission Shares and Fission Options, how do I ensure that all of my securities are voted?

A: If you are voting by mail, telephone or internet, please ensure that you complete the voting procedure twice; once using the control number found on the form of proxy for your Fission Shares, and once using the control number found on the form of proxy for your Fission Options, as the case may be.

Q: How will the votes be counted?

A: Computershare, as Fission’s depositary and transfer agent, counts and tabulates the proxies. Proxies are counted and tabulated by Computershare in such a manner as to preserve the confidentiality of the voting instructions of Registered Fission Shareholders and Fission Optionholders, subject to a limited number of exceptions.

Q: How do I appoint a third party as my proxyholder?

A: Follow steps 1 and 2 below (as applicable):

Step 1: A Registered Fission Shareholder or Fission Optionholder has the right to appoint a person (who need not be a Fission Shareholder) to represent the Registered Fission Shareholder or Fission Optionholder at the Meeting other than the persons named in the accompanying proxy as proxyholders. To exercise this right, the Registered Fission Shareholder or Fission Optionholder must insert the name of such Person’s nominee in the space provided in the accompanying form of proxy or complete another appropriate form of proxy permitted by law, and in either case send or deliver the completed proxy to Computershare as described in the Circular.

If you are a Beneficial Fission Shareholder, the VIF will name the same persons as the Company’s proxy to represent your Fission Shares at the Meeting. You have the right to appoint a person (who need not be a Fission Shareholder), other than any of the persons designated in the VIF, to represent your Fission Shares at the Meeting and that person may be you. To appoint yourself or a person other than any of those designated in the VIF as the proxyholder for your Fission Shares, you must print the applicable name in the space provided on your VIF and return your completed VIF to Broadridge by mail, or over the internet (see *“Solicitation of Proxies and Voting Instructions – Voting Instructions for Beneficial Shareholders”* in this Circular for additional details), in accordance with Broadridge’s instructions and well in advance of the Meeting. **Please note that you cannot appoint anyone other than the persons designated in the VIF as your proxyholder(s) if you vote by telephone.**

Step 2 (if applicable): If you are a Beneficial Fission Shareholder located in the United States and wish to participate or vote at the Meeting or, if permitted, appoint a third party as your proxyholder, in addition to the step described above, you MUST complete a SECOND step and obtain a valid legal proxy from your intermediary. Follow the instructions from your Intermediary included with the legal proxy form and the VIF sent to you, or contact your Intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your Intermediary, you MUST then submit such legal proxy to Computershare at

uslegalproxy@computershare.com or by mail to Computershare Investor Services Inc. at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1. Please see “*Information Concerning the Meeting – Proxies and Voting*” for more information.

Q: What if I return my proxy but do not mark it to show how I wish to vote?

A: If your proxy is signed and dated and returned without specifying your choice or is returned specifying both choices, your Fission Shares or Fission Options, as applicable, will be voted **FOR** the Arrangement Resolution in accordance with the Board Recommendation.

Q: When is the cut-off time for proxies?

A: The deadline for receipt of votes by proxy is not less than 48 hours (excluding Saturdays, Sundays and holidays in the Province of British Columbia) before the time of the Meeting or any adjournment or postponement thereof. In this case, assuming no adjournment or postponement, the proxy-cut off time is 10:00 a.m. (Pacific time) on August 22, 2024. The time limit for proxies may be waived or extended by the chair of the Meeting, with or without notice, at their sole discretion.

Beneficial Fission Shareholders should complete and return their VIF well in advance of the Meeting, in accordance with the instructions in the VIF.

Q: As a Fission Securityholder, can I revoke my proxy or change my vote after I have submitted a signed proxy?

A: Yes. If you want to revoke your proxy (or proxies) after you have delivered it (them), you can do so by (a) attending the Meeting and voting if you were a Registered Fission Shareholder or Fission Optionholder at the Record Date, (b) signing a proxy (or proxies) bearing a later date and returning such form(s) at any time before the proxy cut-off time, (c) signing a written statement which indicates, clearly, that you want to revoke your proxy or proxies and delivering this signed written statement to the registered office of Fission by e-mail to info@fissionuranium.com no later than 10:00 a.m. (Pacific time) on August 22, 2024, or (d) in any other manner permitted by law.

Your proxy (or proxies) will only be revoked pursuant to (b) above if such proxy bearing a later date is received no later than 10:00 a.m. (Pacific time) on August 22, 2024 (or if the Meeting is postponed or adjourned, by no later than 48 hours prior to the time of such postponed or adjourned meeting, excluding Saturdays, Sundays and holidays in the Province of British Columbia). If you revoke your proxy (or proxies) and do not replace it (or them) with another that is properly deposited before the proxy cut-off time, you can still vote your Fission Shares and/or Fission Options, but to do so you must attend and vote at the Meeting.

A Registered Fission Shareholder or Fission Optionholder who has already provided a vote by proxy has the power to revoke it by attending the meeting in person and choosing to revoke it.

If you are a Beneficial Fission Shareholder and wish to revoke previously provided voting instructions, you should contact your Intermediary to discuss whether this is possible and what procedures you need to follow. The change or revocation of voting instructions by a Beneficial Fission Shareholder can take several days or longer to complete and, accordingly, any such action should be completed well in advance of the deadline given in the proxy or VIF by the Intermediary or its service company to ensure it is effective.

Q: In addition to the approval of the Fission Securityholders, are there any other approvals required for the Arrangement?

A: Yes, the Arrangement requires the approval of the Court and also is subject to certain Key Regulatory Approvals, including the Competition Approval. See *“The Arrangement – Court Approval of the Arrangement”* and *“The Arrangement – Regulatory Approvals”* in this Circular.

Q: Do any directors or senior officers of Fission have any interests in the Arrangement that are different from, or in addition to, those of the Fission Securityholders?

A: In considering the recommendation of the Board to vote in favour of the matters discussed in this Circular, Fission Securityholders should be aware that some of the directors and senior officers of Fission have interests in the Arrangement that are different from, or in addition to, the interests of Fission Securityholders generally. See *“The Arrangement – Interests of Certain Persons in the Arrangement”* in this Circular.

Q: Will the Fission Shares continue to be listed on the TSX after the Arrangement is completed?

A: No. If the Arrangement is completed, Paladin, through the Purchaser, will acquire all of the outstanding Fission Shares and Fission will become a wholly-owned subsidiary of Paladin. Following the completion of the Arrangement, it is expected that the Fission Shares will be delisted from the TSX, the OTCQX and the Frankfurt Stock Exchange. The delisting from the TSX is anticipated to occur approximately 2-3 trading days following the completion of the Arrangement.

Fission Shareholders (other than Dissenting Shareholders and Ineligible Shareholders) and Fission Optionholders will hold Paladin Shares, which are currently listed for trading on the OTCQX, ASX, NSX, Munich Stock Exchange, Berlin Stock Exchange, Stuttgart Stock Exchange and Frankfurt Stock Exchange. It is anticipated that, after the completion of the Arrangement, Paladin Shares will continue to trade on such stock exchanges. In addition, it is anticipated that Paladin will be re-listing the Paladin Shares on the TSX after the completion of the Arrangement. Listing of the Paladin Shares on the TSX will be subject to Paladin receiving approval from, and fulfilling all of the original listing requirements of, the TSX.

Q: How will I know when the Arrangement will be implemented?

A: The Effective Date will occur upon satisfaction or waiver of all of the conditions to the completion of the Arrangement. If the Required Securityholder Approval is obtained at the Meeting, the Effective Date is expected to occur in September 2024. On the Effective Date, Fission and Paladin will publicly announce that the conditions are satisfied or waived and that the Arrangement has been completed.

Q: Are there risks I should consider in deciding whether to vote for the Arrangement Resolution?

A: Yes. Fission Securityholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: (i) there can be no certainty that all conditions precedent to the Arrangement will be satisfied; (ii) market price of the Fission Shares may be materially adversely affected if the Arrangement is not completed; (iii) the Arrangement Agreement may be terminated by Paladin and the Purchaser in certain circumstances; (iv) the completion of the Arrangement is uncertain and Fission will incur costs even if the Arrangement is not completed; (v) the Arrangement may divert the attention of Fission’s management; (vi) the Termination Fee may discourage other parties from attempting to acquire Fission; (vii) the Arrangement Agreement restricts Fission from pursuing business opportunities; (viii) the Paladin Shares issued in connection with the Arrangement may have a market value different than expected; (ix) directors and senior officers of Fission have interests in the Arrangement that may be different from those of Fission Securityholders generally; (x) Paladin and Fission may be the targets of

legal claims, securities class action, derivative lawsuits and other claims; and (xi) as a holder of Paladin Shares, you will be subject to the risks associated with an investment in Paladin. See “*Risks Relating to the Arrangement*”, “*Information Concerning Paladin*” and “*Information Concerning Paladin Following the Arrangement*” in this Circular.

Q: What are the income tax consequences of the Arrangement?

A: For a summary of certain material Canadian federal income tax consequences of the Arrangement, see “*Certain Canadian Federal Income Tax Consideration*” in this Circular. Such summary is not intended to be legal or tax advice to any particular Fission Securityholders. The Arrangement may also have consequences for Fission Securityholders who are residents in or citizens of the United States or of other jurisdictions which are not described herein. Fission Securityholders should consult their own tax and investment advisors with respect to their particular circumstances.

Q: Am I entitled to Dissent Rights?

A: Yes, if you are a Registered Fission Shareholder as of the Record Date who duly and validly exercises Dissent Rights in strict compliance with Section 190 of the CBCA as modified by the Interim Order, the Plan of Arrangement and any other order of the Court, and the Arrangement Resolution is approved, you will be entitled to be paid the fair value of your Fission Shares calculated as of the close of business on the day before the Arrangement Resolution was adopted. This amount may be the same as, more than or less than value of the Share Consideration received by the Fission Shareholders under the Arrangement.

If you wish to dissent, you must ensure that a written objection to the Arrangement Resolution is received by Fission c/o Blake, Cassels & Graydon LLP, 1133 Melville Street, Suite 3500, Vancouver BC V6E 4E5, attention: Alexandra Luchenko no later than 5:00 p.m. (Pacific time) on August 22, 2024, or two business days prior to the date of any postponed or adjourned Meeting, as described under “*The Arrangement – Dissent Rights*”.

Failure to comply strictly with the requirements set forth Section 190 of the CBCA as modified by the Interim Order and the Plan of Arrangement may result in the loss of any right to dissent. It is strongly suggested that any Fission Shareholder wishing to dissent seek independent legal advice. Be sure to read the section entitled “*The Arrangement – Dissent Rights*” and consult your own legal advisor if you wish to exercise Dissent Rights.

Q: Who can I call with questions?

A: If you have any questions about the information contained in this Circular or require assistance voting your shares, please contact Laurel Hill Advisory Group by telephone at 1-877-452-7184 (toll-free in North America), or +1 416-304-0211 (outside North America), or e-mail at assistance@laurelhill.com.

For questions about completing your Letter of Transmittal please contact Computershare by telephone at 1-800-564-6253 (toll-free in North America) or 1-514-982-7555 (outside North America), or by e-mail at corporateactions@computershare.com.

If you have questions about deciding how to vote on the Arrangement Resolution, you should contact your own legal, tax, financial or other professional advisor. The Board recommends your vote **FOR** the Arrangement.

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FISSION URANIUM CORP.**MANAGEMENT INFORMATION CIRCULAR****INTRODUCTION**

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation of proxies by and on behalf of management of Fission for use at the Meeting and any adjournment or postponement thereof. Other than the management of Fission and its authorized agents, no person has been authorized to give any information or make any representation in connection with the Arrangement or any other matters to be considered at the Meeting other than those contained in this Circular and, if given or made, any such information or representation must not be relied upon as having been authorized and should not be relied upon in making a decision as to how to vote on the Arrangement.

These Meeting materials are being sent to Registered Fission Shareholders and Beneficial Fission Shareholders, through Intermediaries, and to Fission Optionholders.

If you hold Fission Shares through an Intermediary, you should contact your Intermediary for instructions and assistance in voting and surrendering the Fission Shares that you beneficially own.

Information Contained in this Circular

The information contained in this Circular is given as at July 22, 2024, except where otherwise noted. This Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Information contained in this Circular should not be construed as legal, tax or financial advice and Fission Securityholders are urged to consult their own professional advisors in connection therewith.

Except where otherwise expressly provided, all amounts in this Circular are stated and will be paid in Canadian currency.

THIS CIRCULAR AND THE TRANSACTIONS CONTEMPLATED BY THE ARRANGEMENT AGREEMENT AND THE PLAN OF ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF SUCH TRANSACTIONS OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

Information Concerning Paladin and the Purchaser

The information concerning Paladin and the Purchaser and their affiliates contained in this Circular has been provided by Paladin and the Purchaser for inclusion in this Circular. Although the Company has no knowledge that any statements contained herein taken from or based on such information provided by Paladin and the Purchaser is untrue or incomplete, the Company assumes no responsibility for the accuracy of such information, or for any failure by Paladin or the Purchaser or any of their affiliates or any of their respective representatives to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to the Company. In accordance with the Arrangement Agreement, Paladin and the Purchaser provided the Company with all necessary information concerning Paladin and the Purchaser that is required by law to be included in this Circular and ensured that such information does not contain any misrepresentation concerning Paladin, the Purchaser or their affiliates.

Information for U.S. Fission Securityholders

The Company is a corporation existing under the federal laws of Canada. The solicitation of proxies and the transactions contemplated in this Circular are not subject to the proxy rules under the United States *Securities Exchange Act of 1934*, as amended (the “**U.S. Exchange Act**”), and therefore this solicitation is not being effected in accordance with such rules. Accordingly, the solicitation and transactions contemplated in this Circular are made in the United States (as defined herein) for securities of a Canadian issuer in accordance with Canadian corporate laws and Canadian Securities Laws (as defined herein), and this Circular has been prepared in accordance with disclosure requirements applicable in Canada. Fission Securityholders in the United States should be aware that disclosure requirements under Canadian laws are different from those of the United States applicable to proxy statements, prospectuses and registration statements. Fission Securityholders in the United States should also be aware that other requirements under Canadian laws may differ from those required under U.S. corporate laws and U.S. Securities Laws (as defined herein). The enforcement by Fission Securityholders of rights, claims and civil liabilities under U.S. Securities Laws may be affected adversely by the fact that the Company, Paladin and the Purchaser are organized under the laws of a jurisdiction other than the United States, that their officers and directors include residents of countries other than the United States, that some or all of the experts named in this Circular and the documents incorporated by reference may be residents of countries other than the United States, and that all or substantial portions of the assets of the Company, Paladin, the Purchaser and such other Persons are, or will be, located outside the United States. As a result, it may be difficult to or impossible for Fission Securityholders in the United States to effect service of process within the United States predicated upon civil liabilities under U.S. Securities Laws. In addition, the courts of Canada may not (a) enforce judgments of United States courts obtained in actions against such Persons predicated upon civil liabilities under the U.S. Securities Laws or (b) enforce, in original actions, liabilities against such Persons predicated upon civil liabilities under U.S. Securities Laws.

The Paladin Shares issuable in exchange for Fission Securities pursuant to the Arrangement have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the “**U.S. Securities Act**”) or applicable state securities Laws, and are being issued in reliance on the exemption from the registration requirements of the U.S. Securities Act set forth in Section 3(a)(10) thereof on the basis of the approval of the Court, and similar exemptions from registration under applicable state securities Laws. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more *bona fide* outstanding securities from the general requirement of registration under the U.S. Securities Act where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the substantive and procedural fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the substantive and procedural fairness of the terms and conditions of the Arrangement will be considered. The Court issued the Interim Order on July 19, 2024 and, subject to the approval of the Arrangement by the Fission Securityholders, a hearing of the application for the Final Order (as defined herein) is currently expected to take place on August 29, 2024 at the Court at 800 Smithe Street, Vancouver, British Columbia, at 9:45 a.m. (Pacific time), or as soon thereafter as counsel may be heard, or at any other date and time and by any other method as the Court may direct. All Fission Securityholders are entitled to appear and be heard at this hearing. The Final Order will constitute a basis for the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the Paladin Shares issued to the Fission Shareholders and Fission Optionholders in exchange for their Fission Shares and Fission Options, respectively, pursuant to the Arrangement. Prior to the hearing on the Final Order, the Court will be informed of this effect of the Final Order.

THIS ARRANGEMENT AND THE PALADIN SHARES TO BE ISSUED IN CONNECTION THEREWITH HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) OR ANY OTHER SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES PASSED UPON THE FAIRNESS OR THE MERITS OF THIS TRANSACTION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

Fission Securityholders in the United States should be aware that the disposition by them of their Fission Shares and Fission Options as described herein, may have tax consequences both in the United States and in Canada. Such consequences for Fission Securityholders may not be described fully herein. For a general discussion of certain Canadian federal income tax considerations, see *“Certain Canadian Federal Income Tax Considerations”*. Fission Securityholders who are residents in or citizens of the United States or of other jurisdictions are advised to consult their independent tax advisors regarding the relevant federal, state, local and foreign tax consequences to them of participating in the Arrangement.

Fission Securityholders in the United States should be aware that the financial statements and financial information of the Company are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and are subject to Canadian auditing and auditor independence standards, each of which differ in certain material respects from United States generally accepted accounting principles and auditing and auditor independence standards and thus may not be comparable in all respects to financial statements and information of United States companies.

Certain technical information in this Circular has been prepared in accordance with the requirements of Canadian Securities Laws and the JORC Code (as defined herein), which both differ from the requirements of U.S. Securities Laws. National Instrument 43-101 – *Standards of Disclosure for Mineral Projects (“NI 43-101”)* is a rule developed by the Canadian Securities Administrators (the *“CSA”*) that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The JORC Code is a professional code of practice that establishes standards for public disclosure an Australian issuer makes of scientific and technical information concerning mineral projects. Any mineral reserves and mineral resources reported in accordance with NI 43-101 may not qualify as such under SEC standards. Accordingly, information contained in this Circular and the documents incorporated by reference herein containing descriptions of Fission’s mineral deposits may not be comparable to similar information made public by United States companies subject to the SEC’s reporting and disclosure requirements. Similarly, JORC Code standards differ from the requirements of the SEC that are applicable to domestic United States reporting companies, including Subpart 1300 of Regulation S-K. Any mineral reserves and mineral resources reported in accordance with the JORC Code may not qualify as such under SEC standards and any disclosure related to Paladin’s properties may not be comparable to similar information made public by United States companies subject to the SEC’s reporting and disclosure requirements.

Cautionary Note Regarding Forward-Looking Information and Risks

This Circular contains forward-looking statements and forward-looking information within the meaning of applicable Canadian Securities Laws and which are based on the currently available competitive, financial and economic data and operating plans of management of the Company as of the date hereof unless otherwise stated. Forward-looking statements are provided for the purpose of presenting information about management’s current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. The use of any of the words “plans”, “expects”, “guidance”, “projects”, “assumes”, “budget”, “strategy”, “scheduled”, “estimates”, “forecasts”, “anticipates”, “believes”, “intends”, “modeled”, “targets” and similar expressions or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, or the negative forms of any of these terms and similar expressions, have been used to identify forward-looking information. More particularly and without limitation, this Circular contains forward-looking statements and information concerning: the Arrangement and the completion thereof; covenants of Fission, Paladin and the Purchaser in relation to the Arrangement; the timing for the implementation of the Arrangement, including the expected Effective Date of the Arrangement; the anticipated benefits of the Arrangement; the principal steps of the Arrangement; the receipt of the necessary regulatory, Court, securityholder or other third-party approvals; the anticipated tax treatment of the Arrangement for Fission Securityholders; the payment of the Sale Facility Proceeds to Ineligible Shareholders (as defined herein); statements made in, and based upon, the CFCC Opinion (as defined herein); statements made in, and based upon, the SCP Opinion (as defined herein); statements relating to the business of Paladin, Fission and the Combined Company (as defined herein) after the date of this Circular and prior to, and after, the Effective Time; the impact of the Arrangement on employees and local stakeholders; the strengths, characteristics, market position, and future financial or operating performance and potential of the Combined Company; the amounts received by the directors and senior officers of Fission under the Arrangement; de-listing of the Fission Shares from the TSX; ceasing of reporting issuer status of Fission; the liquidity

of Paladin Shares following the Effective Time; the market price of Paladin Shares; Paladin's ability to raise additional financing and the timing, amount and terms thereof; anticipated developments in the operations of Fission and Paladin; expectations regarding the growth of Paladin and the Combined Company; the business prospects and opportunities of Fission, Paladin and the Combined Company; estimates of Mineral Resources and Mineral Reserves; the future demand for and prices of commodities; the future size and growth of metals markets; the timing and amount of estimated future production of Fission, Paladin and the Combined Company; expectations regarding costs of production and capital and operating expenditures; estimates of the mine life of mineral projects; expectations regarding the costs and timing of exploration and development, and the success of such activities; sales expectations; the timing and possible outcome of pending litigation in future periods; the timing and possible outcome of regulatory and permitted matters; goals; strategies; future growth; planned future acquisitions (other than the Arrangement); the adequacy of financial resources; and other events or conditions that may occur in the future or future plans, projects, objectives, estimates and forecasts, and the timing related thereto.

In respect of the forward-looking statements and information in this Circular, the Company has provided such forward-looking statements and information in reliance on certain assumptions that it believes are reasonable at this time, including assumptions as to the ability of Fission, Paladin and the Purchaser (the "**Parties**") to receive, in a timely manner and on satisfactory terms, the necessary regulatory, Court, securityholder or other third-party approvals; the listing of the Paladin Shares to be issued in connection with the Arrangement on the Toronto Stock Exchange ("**TSX**") and on the Australian Securities Exchange ("**ASX**"); no material adverse change in the market price of uranium and other metal prices; the ability of the Parties to satisfy, in a timely manner, the other conditions to the completion of the Arrangement; the Company's and Paladin's ability to obtain all necessary permits, licenses and regulatory approvals for operations in a timely manner; the adequacy of the financial resources of the Company and Paladin; sustained labor stability and availability of equipment; the maintained of positive relations with local groups; favorable equity and debt capital markets; stability in financial capital markets and other expectations and assumptions which management believes are appropriate and reasonable. The anticipated dates provided in this Circular regarding the Arrangement may change for a number of reasons, including the inability to secure the necessary regulatory, Court, securityholder or other third-party approvals in the time assumed or the need for additional time to satisfy the other conditions to the completion of the Arrangement. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this Circular.

Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Such risks, uncertainties and factors include, among others: the risk that the Arrangement may not close when planned or at all or on the terms and conditions set forth in the Arrangement Agreement; the failure of the Company, Paladin and the Purchaser to obtain the necessary regulatory, Court, securityholder and other third-party approvals, or to otherwise satisfy the conditions to the completion of the Arrangement, in a timely manner, or at all, may result in the Arrangement not being completed on the proposed terms, or at all; if a third party makes a Superior Proposal (as defined herein), the Arrangement may not be completed and the Company may be required to pay the Termination Fee (as defined herein); if the Arrangement is not completed, and the Company continues as an independent entity, there are risks that the announcement of the Arrangement and the dedication of substantial resources of the Company to the completion of Arrangement could have an impact on the Company's current business relationships and could have a material adverse effect on the current and future operations, financial condition and prospects of the Company; the failure of the Company to comply with the terms of the Arrangement Agreement may, in certain circumstances, result in the Company being required to pay the Termination Fee to the Purchaser, the result of which could have a material adverse effect on the Company's financial position and results of operations and its ability to fund growth prospects and current operations; the benefits expected from the Arrangement may not be realized; risks associated with business integration; risks related to the Parties' respective properties; risks related to competitive conditions; risks associated with the Parties' lack of control over mining conditions; risks related to the operations of the Parties; the risk that actual results of current exploration activities may be different than forecasts; risks related to reclamation activities; the risk that project parameters may change as plans continue to be refined; risks related to changes in laws, regulations and government practices; risks associated with the uncertainty of future prices of uranium and other metals and currency exchange rates; the risk that plant, equipment or processes may fail to operate as anticipated; risks related to accidents and labour disputes and other risks inherent to the mining and mineral exploration industry; risks associated with

delays in obtaining governmental approvals or financing or in the completion of exploration or development activities; risks related to the inherent uncertainty of Mineral Resource and Mineral Reserve estimates; risks associated with uncertainties inherent to feasibility and other economic studies; health, safety and environmental risks; and the risks discussed under the heading “*Risks Relating to the Arrangement*”.

Fission Securityholders are cautioned that the foregoing list of factors is not exhaustive. Additional information on other factors that could affect the operations or financial results of the Parties is included in reports filed by the Company with the securities commissions or similar authorities in Canada (which are available under the Company’s SEDAR+ profile at www.sedarplus.com).

The forward-looking statements and information contained in this Circular are made as of the date hereof and the Parties undertake no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless required by applicable Canadian Securities Laws. All forward-looking statements contained in this Circular are expressly qualified in their entirety by the cautionary statements set forth above and in any document incorporated by reference herein.

Reference to Financial Information and Additional Information

Financial information provided in the Company’s annual financial statements and MD&A for the years ended December 31, 2023 and 2022 and in the Company’s quarterly financial statements and MD&A for the three month period ended March 31, 2024. You can obtain copies of these documents and additional documents related to the Company without charge on SEDAR+ at www.sedarplus.com. You can also obtain documents related to the Company without charge by visiting the Company’s website at www.fissionuranium.com.

GLOSSARY OF TERMS

In this Circular, the following capitalized words and terms shall have the following meanings:

“**ACA**” means the *Corporations Act 2001* (Australia).

“**Acquisition Proposal**” means any (a) offer, proposal, expression or inquiry (written or oral) from any person or group of persons (other than Paladin, or one or more of their affiliates) after the date of the Arrangement Agreement relating to (i) any direct or indirect acquisition, take-over bid, tender offer, exchange offer, treasury issuance of securities, sale of securities or other transaction by any person or group of persons of voting, equity or other securities of Fission or any of its subsidiaries (or securities convertible into or exchangeable or exercisable for voting, equity or other securities) that, if consummated, would result in such person or group of persons owing 20% or more of the voting, equity or other securities of Fission or any of its subsidiaries (assuming if applicable, the conversion, exchange or exercise of such securities convertible into or exchangeable or exercisable for voting, equity or other securities); (ii) any plan of arrangement, scheme of arrangement, amalgamation, merger, share exchange, consolidation, reorganization, recapitalization, winding up, liquidation, dissolution or other business combination in respect of Fission or any of its subsidiaries (iii) any direct or indirect acquisition (or any lease, license, royalty, joint venture, long-term supply agreement, earn-in or other arrangement having a similar economic effect), whether in a single transaction or a series of related transactions, by any person or group of persons of any assets of Fission or any of its subsidiaries that individually or in the aggregate constitute 20% or more of the consolidated book value of the assets of Fission and its subsidiaries or 20% or more of the consolidated revenue of Fission and its subsidiaries, in each case based on the financial statements of Fission most recently filed prior to such time as part of the Company Disclosure Record (as defined in the Arrangement Agreement); or (iv) any other similar transaction or series of transactions involving Fission or any of its subsidiaries, (b) inquiry, expression or other indication of interest or offer to, or public announcement of or of an intention to do any of the foregoing, or (c) modification or proposed modification of any such proposal, expression, inquiry or offer, in each case whether by plan of arrangement, scheme of arrangement, amalgamation, merger, consolidation, reorganization, recapitalization, winding up, liquidation, dissolution or other business combination, sale of assets, sale of securities, treasury issuance of securities, joint venture, take-over bid, tender offer, share exchange, exchange offer or otherwise, including any single or multi-step transaction or series of transactions, directly or indirectly involving Fission or any of its subsidiaries, and in each case excluding the Arrangement Agreement and the other transactions contemplated by the Arrangement Agreement.

“**Advance Ruling Certificate**” means an advance ruling certificate issued by the Commissioner pursuant to section 102 of the Competition Act.

“**Arrangement**” means the arrangement under the CBA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto in accordance with the Arrangement Agreement or the Plan of Arrangement or at the direction of the Court in the Final Order (with the prior written consent of the Company and Paladin, each acting reasonably).

“**Arrangement Agreement**” means the Arrangement Agreement dated June 24, 2024, as amended on July 25, 2024, among Fission, Paladin and the Purchaser, including the schedules attached thereto and the Fission Disclosure Letter, as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“**Arrangement Resolution**” means the special resolution of the Fission Securityholders approving the Arrangement to be considered at the Meeting, substantially in the form and content of Appendix A hereto.

“**ASX**” means the Australian Securities Exchange.

“**ASX Listing Rules**” means the official listing rules of the ASX as varied, waived or modified from time to time.

“**Beneficial Fission Shareholder**” means a Person who holds Fission Shares through an Intermediary or who otherwise does not hold Fission Shares in the Person’s name.

“**Blakes**” means Blake, Cassels & Graydon LLP.

“**Board**” means the board of directors of the Company, as constituted from time to time.

“**Board Recommendation**” has the meaning ascribed thereto in “*The Arrangement – Recommendation of the Board*”.

“**Broadridge**” means Broadridge Financial Solutions, Inc.

“**business day**” means any day, other than a Saturday, a Sunday or any day on which banks are closed or authorized to be closed for business in Vancouver, British Columbia.

“**Canadian Securities Laws**” means the *Securities Act* (British Columbia), together with all other applicable securities Laws, rules and regulations and published policies thereunder or under the securities Laws of any other province or territory of Canada, as now in effect and as they may be promulgated or amended from time to time.

“**CBCA**” means the *Canada Business Corporations Act* and the regulations made thereunder, as promulgated or amended from time to time.

“**Certificate of Arrangement**” means the certificate giving effect to the Arrangement issued by the Director pursuant to Section 192(7) of the CBCA.

“**CFCC**” means Cantor Fitzgerald Canada Corporation.

“**CFCC Opinion**” means the independent opinion of CFCC, dated July 17, 2024, addressed to the Special Committee, to the effect that, as of June 23, 2024, and subject to the assumptions, limitations and qualifications contained therein, the Share Consideration to be received by the Fission Shareholders pursuant to the Arrangement is fair, from financial point of view, to the Fission Shareholders. The full text of CFCC’s written opinion, which describes the assumptions made, matters considered, qualifications, and limitations on the review undertaken, is attached as Appendix E to this Circular.

“**Change of Recommendation**” means where (a) the Board or any committee of the Board fails to recommend or withdraws, amends, modifies or qualified, or publicly proposes or states an intention to withdraw, amend, modify or qualify, the Board Recommendation, (b) the Board or any committee of the Board accepts, approves, endorses or recommends an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for more than five business days (or beyond the third business day prior to the date of the Meeting, if such date occurs within the five business day period), (c) the Board or any committee of the Board accepts or enters into or publicly proposes to accept or enter into any agreement, understanding or arrangement in respect of an Acquisition Proposal (other than an confidentiality agreement permitted under the Arrangement Agreement), (d) the Board or any committee of the Board fails to publicly recommend or reaffirm the Board Recommendation within five business days after having been requested in writing by Paladin or the Purchaser to do so (or in the event that the Meeting is scheduled to occur within such five business day period, prior to the third business day prior to the date of the Meeting).

“**Circular**” means this management information circular, including the Notice of Meeting and all appendices hereto and all documents incorporated by reference herein, and all amendments hereof.

“**Combined Company**” means Paladin and all of its subsidiaries immediately after completion of the Arrangement.

“**Commissioner**” means the Commissioner of Competition under the Competition Act.

“**Company**” or “**Fission**” means Fission Uranium Corp., a company existing under the CBCA.

“**Competition Act**” means the *Competition Act* (Canada) and the regulations enacted thereunder, as promulgated or amended from time to time.

“**Competition Approval**” has the meaning ascribed thereto in Section 1.1 of the Arrangement Agreement.

“**Computershare**” means Fission’s depository and transfer agent, Computershare Investor Services Inc.

“**Court**” means the Supreme Court of British Columbia.

“**CRA**” means the Canada Revenue Agency.

“**CSA**” means the Canadian Securities Administrators.

“**Director**” means the Director appointed pursuant to Section 260 of the CBCA.

“**Dissent Rights**” means the rights of dissent exercisable by Registered Fission Shareholders as of the Record Date in respect of the Arrangement in the manner set forth and in strict compliance with Section 190 of the CBCA, as modified by the Plan of Arrangement, the Interim Order and the Final Order.

“**Dissent Shares**” means Fission Shares held by a Dissenting Shareholder and in respect of which the Dissenting Shareholder has validly exercised Dissent Rights.

“**Dissenting Shareholder**” means a Registered Fission Shareholder as of the Record Date who duly and validly dissents in respect of the Arrangement in strict compliance with the Dissent Rights and has not withdrawn or been deemed to have withdrawn such Dissent Rights and who is ultimately entitled to be paid fair value for their Fission Shares.

“**DRS Advices**” means the direct registration system advices held by some Fission Shareholders representing their Fission Shares.

“**Effective Date**” means the date that the Arrangement becomes effective, as set out in Section 2.9 of the Arrangement Agreement, which will be the date shown in the Certificate of Arrangement.

“**Effective Time**” means 12:01 a.m. (Eastern time) on the Effective Date, or such other time as Paladin, Fission and the Purchaser may agree upon in writing.

“**Exchange Ratio**” means 0.1076.

“**Exercise Price Differential**” means, in respect of a Fission Option, the amount by which the Offer Price exceeds the exercise price payable under such Fission Option by the holder thereof to acquire one Fission Share.

“**Fairness Opinions**” means, collectively, the SCP Opinion and the CFCC Opinion.

“**Fasken**” means Fasken Martineau DuMoulin LLP.

“**Final Order**” means the final order of the Court pursuant to Section 192 of the CBCA, approving the Arrangement under Section 192 of the CBCA, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement as such order may be affirmed, amended, modified, supplemented or varied by the Court at any time prior to the Effective

Date or, if appealed, and a stay of the final order is obtained pending appeal, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended on appeal.

“**Fission Disclosure Letter**” means the disclosure letter delivered by Fission to Paladin on the date of the Arrangement Agreement.

“**Fission Optionholders**” means the holders of Fission Options.

“**Fission Options**” means outstanding stock options to purchase Fission Shares granted under the Option Plan.

“**Fission Securities**” means, collectively, Fission Shares and Fission Options.

“**Fission Securityholders**” means, collectively, Fission Shareholders and Fission Optionholders.

“**Fission Shareholder**” means the holders of Fission Shares.

“**Fission Shares**” means common shares in the capital of Fission.

“**Governmental Authority**” means (a) any multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, ministry, bureau or agency, domestic or foreign; (b) any stock exchange, including the TSX, ASX, Frankfurt Stock Exchange, and OTCQX; (c) any subdivision, agent, commission, board or authority of any of the foregoing; or (d) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, antitrust/competition, foreign investment, expropriation or taxing authority under or for the account of any of the foregoing.

“**ICA Approval**” has the meaning ascribed thereto in Section 1.1 of the Arrangement Agreement.

“**Ineligible Shareholder**” means a Fission Shareholder who is, or appears to Paladin and the Purchaser, to be, a resident of a jurisdiction (other than Canada, the United States, the United Kingdom or China) in which the issuance and/or delivery of the Paladin Shares pursuant to the Arrangement to such Fission Shareholder would be contrary to applicable Law or otherwise subject to any prospectus, registration, disclosure, regulatory filing or other similar requirement under applicable Law. For greater certainty, no Fission Shareholder who is, or appears to Paladin and the Purchaser to be, a resident of Canada, the United States, the United Kingdom or China, is an Ineligible Shareholder.

“**Interim Order**” means the interim order of the Court made pursuant to Section 192 of the CBCA providing for, among other things, the calling and holding of the Meeting, as the same may be amended, modified, supplemented or varied by the Court and attached as Appendix C to this Circular.

“**Intermediary**” means, collectively, a broker, investment dealer, bank, trust company, nominee or other intermediary.

“**JORC Code**” means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia, as amended.

“**Key Regulatory Approvals**” means the ICA Approval and the Competition Approval.

“**Law**” or “**Laws**” means all laws, statutes, treaties, conventions, codes, ordinances (including zoning), decrees, rules, regulations, by-laws, notices, judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, settlements, writs, assessments, arbitration awards, rulings, determinations or awards, decrees or policies, guidelines, protocols or other requirements of any Governmental Authority having the force of law and any legal requirements

arising under the common law or principles of law or equity, and the term “applicable” with respect to such Laws and, in the context that refers to any person, means such Laws as are applicable at the relevant time or times to such person or its business, undertaking, property or securities and emanate from a Governmental Authority having jurisdiction over such person or its business, undertaking, property or securities.

“**Letter of Transmittal**” means the letter of transmittal and election form to be sent to the Registered Fission Shareholders together with this Circular providing for the delivery of Fission Shares held by such Registered Fission Shareholders to Computershare.

“**Matching Period**” means the five business days from the date that is the later of the date on which Paladin received the Superior Proposal Notice and the date on which Paladin received all materials required to be delivered under Section 5.4(1)(c) of the Arrangement Agreement.

“**Material Adverse Effect**” has the meaning ascribed thereto in Section 1.1 of the Arrangement Agreement.

“**Meeting**” means the special meeting of the Fission Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

“**MI 61-101**” means Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

“**Mineral Resource**” has the meaning ascribed by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended.

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

“**No-Action Letter**” means written confirmation from the Commissioner that he does not, at that time, intend to make an application under Section 92 of the Competition Act in respect of the transactions contemplated by the Arrangement Agreement.

“**Non-Resident Holder**” has the meaning ascribed thereto in *“Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada”*.

“**Notifiable Transactions**” has the meaning ascribed thereto in *“Summary”*.

“**Objection**” has the meaning ascribed thereto in *“The Arrangement – Dissent Rights”*.

“**Objection Shares**” has the meaning ascribed thereto in *“The Arrangement – Dissent Rights”*.

“**Offer Price**” means an implied value of \$1.30.

“**Option Consideration**” means, for each Fission Option, the number of Paladin Shares (rounded down to the nearest whole number) equal to (a) the Exercise Price Differential in respect of such Fission Option divided by the Offer Price, multiplied by (b) the Exchange Ratio,

“**Option Plan**” means the Company’s Amended and Restated Stock Option Plan dated December 15, 2016, and last approved by Fission Shareholders on June 28, 2022.

“**Order**” means all judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, rulings, determinations, awards, or decrees of any Governmental Authority (in each case, whether temporary, preliminary or permanent).

“**ordinary course of business**”, “**ordinary course of business consistent with past practice**”, or any similar reference, means, with respect to an action taken by a person, that such action is consistent with the past practices of such person and is taken in the ordinary course of the normal day-to-day business and operations of such person.

“**Ore Reserve**” has the meaning ascribed to it by the JORC Code.

“**Outside Date**” means February 28, 2025, or such later date as may be agreed to in writing by the Parties.

“**Paladin**” means Paladin Energy Ltd., a company incorporated under the laws of Australia.

“**Paladin Material Adverse Effect**” has the meaning ascribed thereto in Section 1.1 of the Arrangement Agreement.

“**Paladin Shares**” means ordinary shares in the capital of Paladin.

“**Parties**” means Fission, Paladin and the Purchaser and “**Party**” means any of them.

“**Person**” includes an individual, sole proprietorship, partnership, association, body corporate, trust, natural person in his or her capacity as trustee, executor, administrator or other legal representative, Governmental Authority or any other entity, whether or not having legal status.

“**Plan of Arrangement**” means the plan of arrangement in the form of Appendix B and any amendments or variations thereto made in accordance with the provisions of the Arrangement Agreement or the Plan of Arrangement or at the direction of the Court (with the prior written consent of Fission and Paladin, each acting reasonably) in the Final Order.

“**PLS**” means the Patterson Lake South project.

“**Purchaser**” means 1000927136 Ontario Inc., a corporation incorporated under the laws of the Province of Ontario.

“**RDSP**” means a registered disability savings plan.

“**Record Date**” means the record date for determining the Fission Securityholders entitled to receive notice of, attend and vote at the Meeting, being the close of business on July 19, 2024 (Pacific time) pursuant to the Interim Order.

“**Registered Fission Shareholder**” means a registered holder of Fission Shares as recorded in the Fission Shareholder register of the Company.

“**Regulatory Approvals**” means those sanctions, rulings, consents, orders, exemptions, permits and other approvals (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of any Governmental Authority in each case required in relation to or applicable to the completion of the transactions contemplated hereby, including the Key Regulatory Approvals, but excluding the Interim Order and the Final Order.

“**Required Securityholder Approval**” means the approval of the Arrangement Resolution by at least (i) two thirds of the votes cast on the Arrangement Resolution by Fission Shareholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class; (ii) two third of the votes cast on the Arrangement Resolution by Fission Shareholders and Fission Optionholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class; and (iii) if required under applicable Canadian Securities Laws, a simple majority of votes attached to Fission Securities held by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting excluding those votes attached to Fission Securities held or controlled by persons described in items (a) through (d) of Section 8.1(2) of MI 61-101.

“**Resident Holder**” has the meaning ascribed thereto in “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*”.

“**RESP**” means a registered education plan.

“**Returns**” means all returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed by Law in respect of Taxes.

“**RRIF**” means a registered retirement income fund.

“**RRSP**” means a registered retirement savings plan.

“**Sale Agent**” means the agent nominated by the Purchaser to sell or facilitate the sale of the Sale Shares under the Sale Facility.

“**Sale Facility**” means the facility to be established by Paladin or the Purchaser and managed by the Sale Agent under which the Sale Shares shall be sold on the ASX or TSX (subject to the listing of Paladin Shares on the TSX).

“**Sale Facility Proceeds**” means, with respect to each Sale Share, the net proceeds from the sale of such Sale Share pursuant to the Sale Facility (less any applicable brokerage fees, selling costs, charges, after withholding or deducting any applicable Taxes, and subject to rounding to the nearest whole cent and any applicable foreign exchange conversion).

“**Sale Shares**” means the Paladin Shares to be delivered to the Sale Agent (or a nominee as directed by Paladin or the Purchaser) on behalf of Ineligible Shareholders in accordance with Section 5.2 of the Plan of Arrangement for sale under the Sale Facility.

“**SCP**” means SCP Resource Finance LP.

“**SCP Opinion**” means the opinion of SCP, dated June 23, 2024, addressed to the Board to the effect that, as of the date of such opinion and subject to the assumptions, limitations and qualifications contained therein, the Share Consideration to be received by the Fission Shareholders pursuant to the Arrangement is fair, from financial point of view, to the Fission Shareholders. The full text of SCP’s written opinion, dated June 23, 2024, which describes the assumptions made, matters considered, qualifications, and limitations on the review undertaken, is attached as Appendix F to this Circular.

“**Securities Act**” means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder.

“**Securities Authorities**” means, collectively, the British Columbia Securities Commission and the applicable securities commissions and other securities regulatory authorities in each of the other provinces and territories of Canada.

“**SEDAR+**” means the *System for Electronic Data Analysis and Retrieval+* maintained on behalf of the Securities Authorities.

“**Share Consideration**” means the consideration to be received by each Fission Shareholder pursuant to the Plan of Arrangement in respect of each Fission Share that is issued and outstanding immediately prior to the Effective Time, consisting of 0.1076 of a Paladin Share for each Fission Share.

“**Special Committee**” means the special committee of independent directors of the Board.

“**Subject Securities**” means all Fission Shares and Fission Options held of record and/or beneficially owned or over which direction or control is exercised, directly or indirectly, by the Fission Securityholder as of the date of the Support Agreement.

“**subsidiary**” means, with respect to a specified entity, any:

- (a) Corporation of which issued and outstanding voting securities of such corporation to which are attached more than 50% of the votes that may be cast to elect directors of the corporation (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are owned by such specified entity and the votes attached to those voting securities are sufficient, if exercised, to elect a majority of the directors of such corporation;
- (b) Partnership, unlimited liability company, joint venture or other similar entity in which such specified entity has more than 50% of the equity interests and the power to direct the policies, management and affairs thereof; and
- (c) Subsidiary (as defined in clause (a) and (b) above) of any subsidiary (as so defined) of such specified entity.

“**Superior Proposal**” means any unsolicited *bona fide* written Acquisition Proposal from a person or group of persons who is or are an arm’s length third party of Fission (other than Paladin), made after the date of the Arrangement Agreement, to acquire not less than all of the outstanding Fission Shares or all or substantially all of the assets of Fission and its subsidiaries on a consolidated basis that:

- (a) Complies with Canadian Securities Laws and did not result from or involve a breach of the Arrangement Agreement or any other agreement between the person or persons making the Acquisition Proposal and Fission or any of its subsidiaries;
- (b) the Board has determined in good faith, after consultation with its financial advisors and outside legal counsel and after taking into account all of the terms and conditions of such Acquisition Proposal, including all legal, financial regulatory and other aspects of such Acquisition Proposal and the person or persons making such Acquisition Proposal that (i) the Acquisition Proposal would, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction which (A) is in the best interests of Fission; and (B) is more favourable to the Fission Shareholders from a financial point of view than the Arrangement (taking into account any amendments to the Arrangement Agreement and the Arrangement proposed by Paladin); and (ii) the failure to recommend such Acquisition Proposal to the Fission Shareholders would be inconsistent with its fiduciary duties under applicable Law;
- (c) that, if it relates to the acquisition of Fission Shares, is made to all Fission Shareholders on the same terms and conditions;
- (d) is not subject to any financing contingency or condition and in respect of which adequate arrangements, as determined by the Board in good faith, have been made to ensure that the required funds will be available to effect payment in full for all of the Fission Shares or assets, as the case may be, at the time and on the basis set out in such Acquisition Proposal;
- (e) that is not subject to any due diligence and/or access condition;
- (f) the Board has determined in good faith, after consultation with its financial advisors and outside legal counsel, is reasonably capable of being completed in accordance with its terms, without undue delay, taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the person making such Acquisition Proposal; and
- (g) in the event that Fission does not have the financial resources to pay the Termination Fee, the terms of such Acquisition Proposal provide that the person making such Superior Proposal shall advance or otherwise provide Fission the cash required for Fission to pay the Termination Fee and such amount shall be advanced or provided on or before the date such Termination Fee becomes payable.

“**Superior Proposal Notice**” means written notice of the Company to Paladin and the Purchaser which includes: (i) confirmation that the Board has determined that an Acquisition Proposal constitutes a Superior Proposal; (ii) confirmation of the intention of the Board to make a Change of Recommendation and/or enter into a definitive agreement with respect to such Superior Proposal; (iii) the determination by the Board of the value and financial terms that the Board has determined should be ascribed to any non-cash consideration offered under such Superior Proposal; and (iv) a copy of the proposed agreement with respect to such Superior Proposal and all ancillary agreements.

“**Support Agreements**” means the voting and support agreements dated June 24, 2024 and made between Paladin, the Purchaser and the Supporting Fission Securityholders setting forth the terms and conditions on which the Supporting Fission Securityholders have agreed to vote their Fission Securities in favour of the Arrangement Resolution.

“**Supporting Fission Securityholders**” means certain of the directors and officers of the Company who have entered into Support Agreements.

“**Tax Act**” means the Income Tax Act (Canada), as amended.

“**Taxes**” means (a) any and all taxes, dues, duties, rates, imposts, fees, levies, other assessments, tariffs, charges or obligations of the same or similar nature, however denominated, imposed, assessed or collected by any Governmental Authority including, but not limited to, those levied on, or measured by, or referred to as, income, gross receipts, earnings, profits, mining, mineral, windfall, environmental, royalty, capital, capital stock, transfer, land transfer, disability, ad valorem, sales, net worth, goods and services, harmonized sales, use, value-added, excise, stamp, recording, withholding, business, franchising, property, premium, development, occupation, occupancy, employer health, alternative or add-on minimum, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all license, franchise and registration fees and all employment insurance, health insurance and Canada Pension Plan and other pension plan premiums or contribution, and other taxes, fees, imposts, assessments or charges of any kind whatsoever; (b) any interest, penalties, additional taxes, fines and other charges and additions that may become payable on or in respect of amounts of the type described in clause (a) above or this clause (b); (c) any liability for the payment of any amounts of the type described in clauses (a) or (b) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (d) any liability for the payment of any amounts of the type described in clauses (a) or (b) as a result of any express or implied obligation to indemnify any other person or as a result of being a transferee or successor in interest to any party.

“**Termination Fee**” means \$40,000,000 payable by Fission to the Purchaser, on and subject to the terms of the Arrangement Agreement.

“**TFSA**” means a tax-free savings account.

“**TSX**” means the Toronto Stock Exchange.

“**U.S. Exchange Act**” means the United States *Securities Exchange Act of 1934*, as amended, and the rules and regulations promulgated thereunder.

“**U.S. Securities Act**” means the United States *Securities Act of 1933*, as amended, and the rules and regulations promulgated thereunder.

“**U.S. Securities Laws**” means federal and state securities legislation of the United States and all rules, regulations and orders promulgated thereunder, as now in effect and as they may be promulgated or amended from time to time.

“**VWAP**” means volume-weighted average price.

SUMMARY

The following information is a summary of the contents of this Circular. This summary is provided for convenience only and the information contained in this summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information and financial data and statements contained elsewhere in this Circular or incorporated by reference herein. Capitalized terms in this summary have the meaning set out in the “*Glossary of Terms*” or as set out herein. The full text of the Arrangement Agreement is available under the Company’s profile on SEDAR+ at www.sedarplus.com.

Date, Time and Place of Meeting The Meeting will be held in person at Suite 3500, 1133 Melville Street, The Stack, Vancouver BC, V6E 4E5 on August 26, 2024 at 10:00 a.m. (Pacific time).

The Record Date The Record Date for determining the Fission Securityholders entitled to receive notice of, attend and vote at the Meeting is as of the close of business (Pacific time) on July 19, 2024.

Purpose of the Meeting At the Meeting, Fission Securityholders will be asked to consider and, if deemed advisable, to pass, with or without variation, the Arrangement Resolution. The approval of the Arrangement Resolution will require approval of at least (i) two thirds of the votes cast on the Arrangement Resolution by Fission Shareholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class; (ii) two third of the votes cast on the Arrangement Resolution by Fission Shareholders and Fission Optionholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class; (iii) a simple majority of votes attached to Fission Securities held by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting excluding those votes attached to Fission Securities held or controlled by persons described in items (a) through (d) of Section 8.1(2) of MI 61-101; (the “**Required Securityholder Approval**”).

The Arrangement The purpose of the Arrangement is to effect the acquisition by Paladin, through the Purchaser, of the Company by way of a court-approved plan of arrangement under the CBCA. On completion of the Arrangement, the Company will be a wholly-owned subsidiary of Paladin. See “*The Arrangement – Effect and Details of the Arrangement – General*” in this Circular for additional information.

The following summarizes the steps which will occur under the Plan of Arrangement on the Effective Date, if all conditions to the completion of the Arrangement have been satisfied or waived. The following description of steps is qualified in its entirety by reference to the full text of the Plan of Arrangement attached as Appendix B to this Circular:

Commencing at the Effective Time, each of the following events shall occur and shall be deemed to occur on and subject to the terms set out in the Plan of Arrangement:

- (a) each Dissent Share held by a Dissenting Shareholder will be transferred to Fission in exchange for a debt claim for the fair value of such Dissent Share, to be determined in accordance with Article 4 of the Plan of Arrangement, and such Dissenting Shareholder will cease to be the holder thereof;
- (b) each Fission Share that is outstanding immediately prior to the Effective Time (other than the Dissent Shares) will be transferred to the Purchaser in exchange

for the Share Consideration, or the Sale Facility Proceeds, as applicable, and the Fission Shareholder will cease to be the holder thereof; and

- (c) each Fission Option (whether vested or unvested) outstanding immediately prior to Effective Time will be deemed to be vested to the fullest extent and will be transferred to the Purchaser in exchange for the Option Consideration.

See *“The Arrangement – Effect and Details of the Arrangement – Plan of Arrangement”* in this Circular for additional information.

Effect on Fission Shares

Pursuant to the Arrangement, all of the issued and outstanding Fission Shares (other than the Fission Shares held by Dissenting Shareholders or Ineligible Shareholders) will be transferred to the Purchaser in exchange for the Share Consideration, being 0.1076 Paladin Shares for each Fission Share.

Ineligible Shareholders will receive the Sale Facility Proceeds, being the net proceeds of the sale of the Paladin Shares to which they would have otherwise been entitled under the Plan of Arrangement.

See also *“The Arrangement – Effect and Details of the Arrangement”*.

Effect on Fission Options

Pursuant to the Arrangement, each Fission Option (whether vested or unvested) outstanding immediately prior to Effective Time on the Effective Date shall be deemed to be vested to the fullest extent and shall be, and shall be deemed to be, transferred and assigned by the holder to the Purchaser in exchange for a number of Paladin Shares per Fission Option equal to (A) the Exercise Price Differential in respect of such Fission Option divided by the Offer Price, multiplied by (B) the Exchange Ratio, with such Fission Option thereafter immediately being cancelled. The Option Plan, all Fission Option grant agreements and all documents or instruments evidencing Fission Options immediately prior to the Effective Time shall be terminated and shall be of no further force or effect. Following the Effective Time none of the Company, nor Paladin nor the Purchaser shall have any obligation under or liability to any person with respect to, the Option Plan, any Fission Option grant agreement or any documents or instruments evidencing Fission Options immediately prior to the Effective Time.

As at the date hereof, an aggregate of 71,884,000 Fission Options are outstanding.

See also *“The Arrangement – Effect and Details of the Arrangement”*.

Ineligible Shareholders and the Sale Facility

Ineligible Shareholders will not receive Paladin Shares under the Plan of Arrangement. An “Ineligible Shareholder” is a Fission Shareholder who is, or appears to Paladin and the Purchaser to be, a resident of a jurisdiction (other than Canada, the United States, the United Kingdom or China) in which the issuance and/or delivery of the Paladin Shares pursuant to the Arrangement to such Fission Shareholder would be contrary to applicable Law or otherwise subject to any prospectus, registration, disclosure, regulatory filing of other similar requirement under applicable Law. For greater certainty, no Fission Shareholder who is, or appears to Paladin and the Purchaser to be, a resident of Canada, the United States, the United Kingdom or China, is an Ineligible Shareholder.

Ineligible Shareholders are not being offered Paladin Shares and will not be issued Paladin Shares upon the completion of the Arrangement. Instead the Paladin Shares which would otherwise have been issued to Ineligible Shareholders will be dealt with under the Sale Facility. See *“The Arrangement – Ineligible Shareholders and the Sale Facility”* for more information regarding the entitlements of Ineligible Shareholders.

The Paladin Shares to which each Ineligible Shareholder would have otherwise become entitled will be sold by the Sale Agent on the ASX or the TSX (subject to the listing of Paladin Shares on the TSX as soon as reasonably practicable after the Effective Date). The net proceeds of such sales (after deduction of any applicable brokerage fees, selling costs, charges, after withholding or deducting any applicable Taxes) will be remitted to Ineligible Shareholders as soon as is reasonably practicable following the sales of all Paladin Shares to which Ineligible Shareholders are otherwise entitled pursuant to the Plan of Arrangement.

Extinction of Rights

To the extent a former Fission Securityholder has not surrendered Fission Securities to Computershare in the manner described in this Circular on or before the date that is six years after the Effective Date (the **“Final Proscription Date”**), then:

- (a) the Share Consideration or Option Consideration, as applicable, that such Fission Securityholder was entitled to receive pursuant to the Plan of Arrangement will be deemed to be surrendered and forfeited to the Purchaser and any interest of such former Fission Securityholder in the Share Consideration or Option Consideration, as applicable, shall be terminated, without any further authorization, act or formality;
- (b) the Paladin Shares that form the Share Consideration or Option Consideration, as applicable, shall be automatically cancelled without any repayment of capital in respect thereof;
- (c) the Share Consideration or Option Consideration, as applicable, to which such former Fission Securityholder was entitled shall be delivered to the Purchaser by Computershare; and
- (d) the interest of the former Fission Securityholder in the Share Consideration or Option Consideration, as applicable, shall be terminated as of the Final Proscription Date.

Recommendations of the Special Committee and the Board

Recommendation of the Special Committee

The Special Committee has advised the Board that, after careful consideration of such matters as it considered relevant, as more fully described under the heading *“The Arrangement – Reasons for the Arrangement”*, including, among other things, (i) the terms and conditions of the Arrangement Agreement; (ii) the benefits and risks associated with the Arrangement; (iii) other strategic alternatives and options available to the Company; (iv) its evaluation of the Arrangement with management and the Special Committee’s legal and financial advisors, including receipt of the CFCC Opinion; and (v) the impact of the Arrangement on other stakeholders of the Company, the Special Committee has unanimously determined that the Arrangement is in the best interests of Fission, is fair to Fission Shareholders and is fair and reasonable to stakeholders whose rights are affected

by the Arrangement, and has unanimously recommended to the Board that it authorize and approve Fission entering into the Arrangement Agreement and the performance of its obligations thereunder and **recommend to the Fission Shareholders and the Fission Optionholders that they vote FOR the Arrangement Resolution.**

Recommendation of the Board

The Board, after careful consideration of such matters as it considered relevant, as more fully described under the heading “*The Arrangement – Reasons for the Arrangement*”, including, among other things, a thorough review of the Arrangement Agreement, and taking into account the best interests of Fission, and after evaluating the Arrangement with management and Fission’s legal and financial advisors, including receipt of the CFCC Opinion and SCP Opinion, and upon the unanimous recommendation of the Special Committee, the Board has determined the Arrangement is in the best interests of Fission and is fair to Fission Shareholders and that it is advisable and in the best interests of Fission to approve the entering into and execution and delivery of the Arrangement Agreement and the performance of its obligations thereunder, and has approved the Arrangement. **Accordingly, the Board recommends that the Fission Shareholders and the Fission Optionholders vote FOR the Arrangement Resolution.**

Background to the Arrangement

The Arrangement Agreement is the result of arm’s length negotiations among representatives of Fission and Paladin, including their respective legal advisors, as more fully described herein. A summary of the material events, meetings, negotiations and discussions between representatives of Fission and Paladin that preceded the execution and public announcement of the Arrangement Agreement on June 24, 2024 is included in this Circular under the heading “*The Arrangement – Background to the Arrangement*”.

Reasons for the Arrangement

In the course of their respective evaluations, the Special Committee and the Board carefully considered a variety of factors with respect to the Arrangement including, among others, the following:

Attractive and Immediate Premium – a 30% premium to Fission’s undisturbed 20-day VWAP, payable in Paladin Shares so as to enable Fission Shareholders to continue to participate in the upside of PLS and Paladin.

Meaningful Ownership in a Global Multi-Asset Uranium Leader – Fission Shareholders will own approximately 24.0% of the outstanding Paladin Shares immediately following completion of the Arrangement, on a fully diluted basis, which will have a pro forma market capitalization of US\$3.5 billion (as of June 21, 2024) and a world-class production and growth pipeline.

Diversified Portfolio with Multi-Asset Production - If the Arrangement becomes effective, the Combined Company will have two projects in production by 2029 (Langer Heinrich Mine and PLS) and a pro-forma Mineral Resources of 544Mlb and Ore Reserves of 157 Mlb, representing one of the largest amongst pure-play uranium companies globally spread across tier-1 uranium jurisdiction of Canada, Namibia and Australia.

De-risks PLS Development - Paladin has a strong balance sheet with US\$50 million in cash and US\$125 million, as of March 31, 2024, in available debt facilities, along with expected future cash flows from the commencement of production at the Langer Heinrich Mine,

which can be leveraged to fund the development of PLS, thereby reducing dilution to Fission Shareholders. Paladin's project delivery, uranium marketing and processing expertise will complement Fission's technical strength, de-risking the development of PLS and maximizing value for shareholders.

Continued Participation and Ability to Progress Development of PLS - Fission Shareholders will continue to have exposure to PLS through their Paladin Shares following completion of the Arrangement.

Increased International Capital Market Presence - Opportunity to retain TSX-listed shares in a leading ASX100 growth-focused uranium company providing increased trading liquidity and an enhanced capital markets presence, subject to the anticipated re-listing of the Paladin Shares on the TSX.

Paladin's Commitment to Canada – Paladin owns the Michelin Project, an advanced exploration stage uranium project in the highly prospective Central Mineral Belt of Labrador, since 2011. The anticipated re-listing of Paladin Shares on the TSX and the addition of PLS significantly grows Paladin's commitment to uranium exploration.

Access to Near-term Cash-Flow from Langer Heinrich Mine – Fission Securityholders receiving the Share Consideration or the Option Consideration, as applicable, will gain exposure to the globally significant Langer Heinrich Mine, where Paladin successfully recommenced commercial production on March 30, 2024. Paladin has built a high-quality contract portfolio with tier-1 utilities in the US, Europe and Asia. These internationally based utilities account for over 20% of global uranium consumption. These Fission Securityholders will benefit in the near term from Paladin's contract portfolio, which is 80% exposed to uncapped market prices. Paladin also has flexible shipping arrangements and early payment terms with its largest customer, providing significant delivery flexibility and improved cash flow during the ramp-up of operations at the Langer Heinrich Mine.

Robust and Supervised Negotiation Process – The Arrangement is the result of a robust negotiation process that was undertaken under the supervision of the Special Committee, which was comprised entirely of independent directors of the Board, and which received advice from independent advisors throughout the process.

CFCC Opinion – The receipt by the Special Committee of the CFCC Opinion which concluded that, as of June 23, 2024, subject to and based on the assumptions, qualifications and limitations contained therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders. See "*The Arrangement – Fairness Opinions – CFCC Opinion*" in the Circular. Fission Securityholders are urged to read the CFCC Opinion in its entirety. The full text of the CFCC Opinion attached as Appendix E to this Circular.

SCP Opinion - The receipt by the Board of the SCP Opinion which concluded that, as of the date of such opinion, subject to and based on the assumptions, qualifications and limitations contained therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders. See "*The Arrangement – Fairness Opinions – SCP Opinion*" in this Circular. Fission Securityholders are urged to read the SCP Opinion in its entirety. The full text of the SCP Opinion attached as Appendix F to this Circular.

Ability to Respond to Unsolicited Superior Proposals – Subject to the terms of the Arrangement Agreement, the Board will remain able to respond to any unsolicited *bona fide* written Acquisition Proposal that it determines is, or could lead to, a Superior Proposal. The Termination Fee payable by Fission to the Purchaser in certain circumstances, being \$40 million, is within the range of termination fees considered reasonable for transactions of this size and nature and would not, in the view of the Board preclude a third party from making a Superior Proposal. See “*The Arrangement Agreement – Non-Solicitation and Right to Match*”.

Fairness of the Conditions – The Arrangement Agreement provides for certain conditions to completion of the Arrangement, which conditions are not unduly onerous or outside market practice and could reasonably be expected to be satisfied in the judgment of the Board.

Ability to Close – The Parties are committed to completing the Arrangement and anticipate that the Parties will be able to complete the Arrangement, in accordance with the terms of the Arrangement Agreement, within a reasonable time and in any event prior to the Outside Date.

Securityholder and Court Approval – The Arrangement is subject to the following securityholder and Court approvals, which protect Fission Securityholders:

- (a) The Arrangement Resolution requires approval of at least (i) two thirds of the votes cast on the Arrangement Resolution by Fission Shareholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class; (ii) two third of the votes cast on the Arrangement Resolution by Fission Shareholders and Fission Optionholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class; (iii) a simple majority of votes attached to Fission Securities held by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting excluding those votes attached to Fission Securities held or controlled by persons described in items (a) through (d) of Section 8.1(2) of MI 61-101; and
- (b) The Arrangement is subject to a determination of the Court that the Arrangement is fair and reasonable, both procedurally and substantively, to Fission Securityholders and other affected Persons.

Regulatory Approvals – The completion of the Arrangement is subject to receipt of the Key Regulatory Approvals.

Dissent Rights – The terms of the Plan of Arrangement provide that Registered Fission Shareholders who oppose the Arrangement may, upon compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive fair value for their Fission Shares. See “*The Arrangement – Dissent Rights*” in this Circular.

See “*The Arrangement – Reasons for the Arrangement*” in this Circular.

Support Agreements

The Supporting Fission Securityholders have entered into the Support Agreements with Paladin and the Purchaser pursuant to which they have agreed to vote in favour of the

Arrangement Resolution. As of the date hereof, the Supporting Fission Securityholders hold approximately 0.7% of the Company's outstanding voting securities that will have voting rights at the Meeting.

See "*The Arrangement – Support Agreements*" in this Circular.

Conditions to Completion of the Arrangement

The implementation of the Arrangement is subject to a number of conditions being satisfied or waived by the Company or Paladin and the Purchaser, as applicable, at or prior to the Effective Date, including the following:

- (a) the Required Securityholder Approval shall have been obtained in accordance with the Interim Order;
- (b) the Interim Order and the Final Order shall have been obtained in accordance with the Arrangement Agreement;
- (c) no Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Order or Law which is then in effect and has the effect of making the Arrangement illegal or otherwise preventing or prohibiting consummation of the Arrangement;
- (d) the Paladin Shares to be issued pursuant to the Arrangement (i) shall be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof and exemptions from applicable U.S. state securities Laws;
- (e) obtaining the Competition Approval;
- (f) obtaining the ICA Approval;
- (g) receipt of conditional approval by the TSX and ASX of the listing and posting for trading of the Paladin Shares to be issued as Share Consideration pursuant to the Plan of Arrangement;
- (h) the representations and warranties of the Parties contained in the Arrangement Agreement being true and correct as of the Effective Date, subject to certain qualifications;
- (i) compliance in all material respects by the Company and Paladin with all covenants required to be performed under the Arrangement Agreement, subject to certain qualifications;
- (j) no Material Adverse Effect having occurred to the Company or its subsidiaries;
- (k) no Paladin Material Adverse Effect having occurred to Paladin or its subsidiaries;
- (l) Dissent Rights not having been exercised in respect of more than 5% of the Fission Shares; and

- (m) there shall be no action or proceeding pending by a Governmental Entity that is reasonably likely to:
 - (i) prohibition or restriction on the acquisition by Paladin and the Purchaser (or any of its subsidiaries) of any Fission Shares or the completion of the Arrangement or any person obtaining from any of the Parties any material damages directly in connection with the Arrangement;
 - (ii) prohibition or material limit on the ownership by Paladin and the Purchaser or (any of its subsidiaries) of Fission or any material portion of its or their respective assets or business;
 - (iii) imposition of limitations on the ability of Paladin and the Purchaser (or any of their subsidiaries) to acquire or hold, or exercise full rights of ownership of, any Fission Shares, including the right to vote.

See *“The Arrangement Agreement – Conditions to Closing”* in this Circular.

Non-Solicitation

In the Arrangement Agreement, the Company has agreed, subject to certain exceptions, that it will not, directly or indirectly, solicit or participate in any discussions or negotiations regarding a proposal by a third party to acquire the Company or its assets and will give prompt notice to Paladin and the Purchaser should the Company receive such a proposal or a request for non-public information that it reasonably believes would lead to such a proposal.

Opinion of Financial Advisors

Both Fairness Opinions concluded that, as of the effective dates of each opinion and based on and subject to the assumptions made, matters considered, qualifications, and limitations on the review undertaken, the Share Consideration to be received by the Fission Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Fission Shareholders.

See *“The Arrangement – Fairness Opinions”* in this Circular and Appendix E for the CFCC Opinion and Appendix F for the SCP Opinion.

Termination of Arrangement Agreement

Fission, Paladin and the Purchaser may agree in writing to terminate the Arrangement Agreement and abandon the Arrangement at any time prior to the Arrangement becoming effective. In addition, the Company or Paladin and the Purchaser may terminate the Arrangement Agreement and abandon the Arrangement at any time prior to the Effective Date if certain specific events occur. Depending on the termination event, a Termination Fee may be payable by the Company.

See *“The Arrangement Agreement – Termination of Arrangement Agreement”* in this Circular.

Letter of Transmittal

A Letter of Transmittal for the Registered Fission Shareholders is enclosed with this Circular. If the Arrangement becomes effective, in order to receive a physical certificate(s) representing Paladin Shares issued in exchange for the Fission Shares deposited with Computershare, a Fission Shareholder must deliver the Letter of Transmittal properly completed and duly executed, together with certificate(s) or DRS Advice(s) representing its Fission Shares and all other required documents to Computershare at the address set

forth in the Letter of Transmittal. If the Arrangement is not completed, the Letter of Transmittal will be of no effect and Computershare will return all certificates or DRS Advices representing the deposited Fission Shares to the holders thereof as soon as practicable at the address specified in the Letter of Transmittal. Fission Shareholders whose Fission Shares are registered in the name of an Intermediary must contact their Intermediary to deposit their Fission Securities.

See “*The Arrangement — Exchange of Fission Securities*” in this Circular.

Court Approval of the Arrangement

Subject to the terms of the Arrangement Agreement and, if the Arrangement Resolution is approved at the Meeting, Fission anticipates applying to the Court for the Final Order, on August 29, 2024 at the courthouse at 800 Smithe Street, Vancouver, British Columbia at 9:45 a.m. (Pacific time) or as soon thereafter as counsel may be heard, or at any other date and time and by any other method as the Court may direct. Please see “*The Arrangement — Court Approval of the Arrangement*” as well as the Petition and Notice of Hearing of Petition, attached as Appendix D to this Circular, and the Interim Order, attached as Appendix C to this Circular, for further information on participating or presenting evidence at the hearing for the Final Order. At the hearing, the Court will consider, among other things, the substantive and procedural fairness and reasonableness of the Arrangement. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. If the Court approves the Arrangement with amendments, depending on the nature of the amendments, the Parties may determine not to complete the transaction contemplated by the Arrangement Agreement.

See “*The Arrangement – Court Approval of the Arrangement*” in this Circular.

Stock Exchange Approval

Paladin Shares are listed on the ASX, OTCQX, NSX, Munich Stock Exchange, Berlin Stock Exchange, Stuttgart Stock Exchange and Frankfurt Stock Exchange. It is a condition of the Arrangement that the ASX shall have approved for listing the Paladin Shares to be issued pursuant to the Arrangement.

Paladin has filed an application with the ASX for the listing of the Paladin Shares issued pursuant to the Arrangement.

Paladin has also applied for the Paladin Shares to be listed on the TSX, subject to filing certain documents and satisfaction of certain listing conditions, following the completion of the Arrangement.

Regulatory Approvals

The completion of the Arrangement is subject to certain approvals with respect to the *Competition Act* (Canada).

Competition Approval

Part IX of the *Competition Act* requires that the Commissioner be notified of certain classes of transactions that exceed the thresholds set out in Sections 109 and 110 of the said Act (“**Notifiable Transactions**”).

The *Competition Act* requires that, subject to limited exceptions, parties to a Notifiable Transaction, cannot complete such transaction until the earlier of (i) the expiry or

termination of the applicable waiting period, or (ii) the date that the Commissioner issues an advance ruling certificate pursuant to Section 102 of the Competition Act (an “**Advance Ruling Certificate**”) or waives the obligation to provide notification under the Competition Act.

The Arrangement is a Notifiable Transaction and constitutes a “merger” for the purposes of the Competition Act. The Commissioner issued an Advance Ruling Certificate with respect to the transactions contemplated by the Arrangement on July 12, 2024.

See “*The Arrangement – Regulatory Approvals – Competition Approval*” for more information.

Rights of Dissent

Registered Fission Shareholders as of the Record Date are entitled to dissent in respect of the Arrangement in the manner set forth and in strict compliance with Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement. A Registered Fission Shareholder who wishes to dissent must ensure that: (a) a written objection to the Arrangement Resolution is received by Fission c/o Blake, Cassels & Graydon LLP, Attention: Alexandra Luchenko by no later than 5:00 p.m. (Pacific time) on August 22, 2024, or two business days prior to the date of any postponed or adjourned Meeting; and (b) the Registered Fission Shareholder must have otherwise complied strictly with the procedures set forth in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement.

See “*The Arrangement – Dissent Rights*” in this Circular.

Interests of Certain Directors and Executive Officers of Fission in the Arrangement

In considering the Board Recommendation, Fission Securityholders should be aware that certain members of the Board and senior officers of Fission have interests in the Arrangement or may receive benefits that may differ from, or be in addition to, the interests of Fission Securityholders generally.

See “*The Arrangement – Interests of Certain Persons in the Arrangement*” in this Circular.

Risk Factors

There is a risk that the Arrangement may not be completed. If the Arrangement is not completed, Fission will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Additionally, failure to complete the Arrangement could materially and negatively impact the trading price of the Fission Shares.

The risk factors described under the heading “*Risks Relating to the Arrangement*” should be carefully considered by Fission Securityholders.

Income Tax Considerations

Fission Securityholders should carefully review the tax considerations described in this Circular and are urged to consult their own tax advisors in regard to their particular circumstances. See “*Certain Canadian Federal Income Tax Considerations*” for a discussion of certain Canadian federal income tax considerations.

INFORMATION CONCERNING THE MEETING

Purpose of the Meeting

At the special meeting of the Fission Securityholders, including any adjournment or postponement thereof (the “**Meeting**”), Fission Securityholders will be asked to consider and, if deemed advisable, to pass, with or without variation, the Arrangement Resolution (the full text of which is set forth in Appendix A to this Circular). The approval of the Arrangement Resolution will require the Required Securityholder Approval to be effective.

Date, Time and Place of the Meeting

The Meeting will be held at Suite 3500, 1133 Melville Street, The Stack, Vancouver, BC V6E 4E5 on August 26, 2024 at 10:00 a.m. (Pacific time).

Record Date

Pursuant to the Interim Order, the record date for determining the Fission Securityholders entitled to receive notice of, attend and vote at the Meeting is July 19, 2024 (the “**Record Date**”). Fission Shareholders and Fission Optionholders of record as at the close of business (Pacific time) on the Record Date, or duly appointed proxyholders, will be entitled to attend and vote at the Meeting, or any adjournment or postponement thereof, in the manner and subject to the procedures described in this Circular.

In this Circular, references to “\$” are to amounts in Canadian dollars, references to “US\$” are to amounts in United States dollars and references to “A\$” are to amounts in Australian dollars unless otherwise indicated.

SOLICITATION OF PROXIES AND VOTING INSTRUCTIONS

Solicitation of Proxies by Management

Your proxy is being solicited by management of Fission for use at the Meeting. This Circular and the forms of proxy are furnished in connection with that solicitation. The solicitation of proxies for the Meeting will be made primarily by mail, but proxies may also be solicited personally or by telephone, e-mail, internet, facsimile transmission or other electronic or other means of communication by directors, officers, employees, agents or other representatives of Fission. In addition, Fission has engaged Laurel Hill Advisory Group as Fission’s proxy solicitation agent, to assist in the solicitation of proxies with respect to the matters to be considered at the Meeting for a fee of \$100,000, plus reasonable out-of-pocket expenses and applicable taxes. The costs of such services will be entirely paid for by Fission.

Additionally, the Company may utilize Broadridge’s QuickVote™ system to assist Fission Shareholders with voting their Fission Shares. Certain Beneficial Fission Shareholders who have not objected to the Company knowing who they are (non-objecting beneficial owners) may be contacted by Laurel Hill Advisory Group, which is soliciting proxies on behalf of management of the Company, to conveniently obtain a vote directly over the phone. Broadridge would then tabulate the results of all instructions received and provide the appropriate instructions respecting the Fission Shares to be represented at the Meeting.

Proxy Instructions

Appointment of Proxyholders

Fission Securityholders that are entitled to vote at the Meeting may by means of a proxy appoint a proxyholder or one or more alternative proxyholders, who need not be a Fission Shareholder, to attend and act at the Meeting for the Fission Securityholder on their behalf.

The individuals named in the accompanying form of proxy are directors, officers and/or employees of Fission. **A Fission Securityholder, that is entitled to vote, wishing to appoint some other person (who need not be a Fission Shareholder) to represent him or her at the Meeting has the right to do so, either by inserting such person's name in the blank space provided in the form of proxy or by completing another form of proxy.** Such Fission Securityholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and instruct him or her on how their Fission Securities are to be voted. In any case, the form of proxy should be dated and executed by the Fission Securityholder or his/her attorney authorized in writing, or if the Fission Securityholder is a corporation, under its corporate seal, or by an officer or attorney thereof duly authorized. A Fission Securityholder may also appoint a proxy by internet by visiting www.investorvote.com.

Beneficial Fission Shareholders should follow the instructions provided by their Intermediary to ensure their vote is counted at the Meeting and should arrange for their intermediary to complete the necessary steps to ensure that they receive the Share Consideration for their Fission Shares as soon as possible following completion of the Arrangement. Please see "*Beneficial Fission Shareholder Voting*" for more information.

Revocation of Proxies

A Registered Fission Shareholder or Fission Optionholder who has submitted a Proxy may revoke it at any time prior to the exercise thereof at the Meeting or any adjournment or postponement thereof.

In addition to revocation in any other manner permitted by law, a proxy may be revoked by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Fission Shareholder, Fission Optionholder or such holders' authorized attorney in writing, or, if such a holder is a corporation, under its corporate seal by an officer or duly authorized attorney, and by delivering the proxy bearing a later date to Computershare at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 or to the address of the registered office of the Company at 700 – 1620 Dickson Avenue Kelowna, British Columbia, Canada, V1Y 9Y2 at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the Chair of the Meeting on the day of the Meeting or any reconvening thereof;
- (b) personally attending the Meeting and voting the Fission Shares and/or Fission Options, as applicable; or
- (c) in any other manner permitted by law.

Upon such deposit, the proxy is revoked. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

If you are a Beneficial Fission Shareholder, please contact your Intermediary for instructions on how to revoke your voting instructions Intermediary to discuss whether this is possible and what procedures you need to follow. The change or revocation of voting instructions by a Beneficial Fission Shareholder can take several days or longer to complete and, accordingly, any such action should be completed well in advance of the deadline given in the proxy or voting instruction form by the Intermediary or its service company to ensure it is effective.

Voting of Proxies by Nominees

On a poll, the nominees named in the accompanying form of proxy will vote or withhold from voting the Fission Securities represented thereby in accordance with the instructions of the Fission Securityholder on any ballot that may be called for. If a Fission Securityholder specifies a choice with respect to any matter to be acted upon, such Fission Securityholder's Fission Securities will be voted accordingly. If a Fission Securityholders specified on the form of proxy how such Fission Securityholder would like their Fission Securities to be voted on particular matter (by marking **FOR** or **AGAINST**), then such Fission

Securityholder’s proxy holder must vote their Fission Securities accordingly. If a Fission Securityholder does not specify on the form of proxy how it he or she would like their Fission Securities to be voted on a particular matter, then his or her proxyholder can vote your Fission Securities as he, she or it sees fit. **Unless contrary instructions are provided, the voting rights attached to the Fission Shares and Fission Options represented by proxies received by the management of Fission will be voted IN FAVOUR OF the Arrangement Resolution.**

The form of proxy confers discretionary authority with respect to: (i) amendments or variations to the matters of business to be considered at the Meeting; and (ii) other matters that may properly come before the Meeting. As of the date of this Circular, the management of Fission is not aware of any amendments, variations or other matters to come before the Meeting, other than the matters set forth in the Notice of Meeting included in this Circular. If, however, other matters properly come before the Meeting, the persons named in the forms of proxy and voting instruction form will vote on them in accordance with their judgment, pursuant to the discretionary authority conferred upon them by the form of proxy with respect to such matters.

See the following table for additional instructions on appointing a proxyholder and exercising your proxy.

Appointment of Proxyholders and Voting by Proxy					
Appointing a Proxyholder	The persons named in the accompanying proxy as proxyholders are our directors and/or officers. You have the right to appoint a person (who need not be a Fission Shareholder) to represent you at the Meeting other than the persons named in the accompanying proxy as proxyholders. To exercise this right, you must provide the name of such Person’s nominee either by mail or by internet, as described below.				
Options to Exercise your Proxy	1. By Mail	Registered Fission Shareholders	Fission Optionholders	Holders of more than one type of Fission Securities	
		Fill out and sign the form of proxy for Fission Shares	Fill out and sign the form of proxy for Fission Options	Fill out and sign BOTH forms of proxy	
	Print the applicable name, yours or of your delegate; sign and date the form(s) of proxy and return by mail to: Computershare Investor Services Inc. 100 University Ave, 8 th Floor Toronto, Ontario M5J 2Y1				
	2. By Telephone	Registered Fission Shareholders and Fission Optionholders in Canada or the United States may vote by telephone by calling 1-866-732-8683. Please note that you cannot appoint anyone other than the directors and/or officers named in the forms of proxy as your proxyholder(s) if you vote by telephone.			
		Registered Fission Shareholders	Fission Optionholders	Holders of more than one type of Fission Securities	
	Enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Registered Fission Shareholder on the telephone voting system.	Enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Fission Optionholder on the telephone voting system.	Complete the voting procedure <u>twice</u> ; once using the control number found on the form of proxy for your Fission Shares, and once using the control number found on the form of proxy for your Fission Options.		
3. By Internet	You may appoint a proxy and vote over the internet by going to www.investorvote.com .				

		Registered Fission Shareholders	Fission Optionholders	Holders of more than one type of Fission Securities
		Enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Registered Fission Shareholder on the voting website.	Enter your 15-digit control number (located on the bottom left corner of the first page of the form of proxy) to identify yourself as a Fission Optionholder on the voting website.	Complete the voting procedure <u>twice</u> ; once using the control number found on the form of proxy for your Fission Shares, and once using the control number found on the form of proxy for your Fission Options.
Deadline to Exercise your Proxy	In order to be valid and acted upon at the Meeting, your form of proxy or vote by internet or telephone (as the case may be) must be received no later than 10:00 a.m. (Pacific time) on August 22, 2024 (or if the Meeting is postponed or adjourned, no later than 48 hours prior to the time of such postponed or adjourned meeting, excluding Saturdays, Sundays and holidays in the Province of British Columbia). If sending your completed form of proxy via mail, you should take into account any mail delivery interruptions. It is your responsibility when sending your form of proxy via mail to ensure that Computershare receives it by the deadline.			
Voting Instructions	<p>On the form of proxy, you may indicate either how you want your proxyholder to vote your Fission Securities, or you can let your proxyholder decide for you. If you have specified on the form of proxy how you want your Fission Securities to be voted on a particular matter (by marking FOR or AGAINST), then your proxyholder must vote your Fission Securities accordingly. If you have not specified on the form of proxy how you want your Fission Securities to be voted on a particular matter, then your proxyholder can vote your Fission Securities as he, she or it sees fit. Unless contrary instructions are provided, the voting rights attached to the Fission Securities represented by proxies received by the management of Fission will be voted <u>IN FAVOUR OF</u> the Arrangement Resolution.</p> <p>The form of proxy confers discretionary authority with respect to: (i) amendments or variations to the matters of business to be considered at the Meeting; and (ii) other matters that may properly come before the Meeting. As of the date hereof, management of Fission knows of no amendments, variations or other matters to come before the Meeting other than the matters set forth in the Notice of Meeting included in this Circular. If you plan to vote by proxy, you are encouraged to review this Circular carefully before submitting your proxy form(s).</p>			

Voting Rights

Each Registered Fission Shareholder whose name is entered on the securities register of the Company at the close of business on the Record Date is entitled to one vote for each Fission Share registered in his, her or its name. Each Fission Optionholder whose name is entered on the applicable securities register of the Company at the close of business on the Record Date is entitled to one vote for each such Fission Option held in his, her or its name, as the case may be.

In order to become effective, the Arrangement Resolution must be approved by at least (i) two thirds of the votes cast on the Arrangement Resolution by Fission Shareholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class; (ii) two third of the votes cast on the Arrangement Resolution by Fission Shareholders and Fission Optionholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class; and (iii) if required under applicable Canadian Securities Laws, a simple majority of votes attached to Fission Securities held by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting excluding those votes attached to Fission Securities held or controlled by persons described in items (a) through (d) of Section 8.1(2) of MI 61-101.

Voting Instructions for Registered Shareholders and Optionholders

The manner in which you vote your Fission Securities depends on whether you are a Registered Fission Shareholder, Fission Optionholder or Beneficial Fission Shareholder. You are a Registered Fission Shareholder if your name appears on the share certificate representing your Fission Shares. Most Fission Shareholders of the Company are Beneficial Fission Shareholders. You are a Beneficial Fission Shareholder if you beneficially own Fission Shares that are held in the name of an Intermediary such as a bank, a trust company, a securities broker, a trustee or other nominee, and as a result do not have the Fission Shares registered in your own name.

Registered Fission Shareholders and Fission Optionholders who are eligible to vote can vote their Fission Shares or Fission Options, as applicable, either:

1. in person at the Meeting; or
2. by proxy.

Voting by proxy is the easiest way for Registered Fission Shareholders and Fission Optionholders to cast their votes. See *"Solicitation of Proxies and Voting Instructions – Proxy Instructions"* for details of how to vote by proxy.

Voting Instructions for Beneficial Shareholders

The following information is of significant importance to Fission Shareholders who do not hold Fission Shares in their own name.

Only Registered Fission Shareholders, Fission Optionholders and duly appointed proxyholders can vote at the Meeting.

Beneficial Fission Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Fission Shareholders (those whose names appear on the records of the Company as the registered holders of Fission Shares) or as set out below.

If Fission Shares are listed in an account statement provided to a Fission Shareholder by a broker, then in almost all cases those Fission Shares will not be registered in the Fission Shareholder's name on the records of the Company. Such Fission Shares will more likely be registered under the names of the Fission Shareholder's Intermediary. The vast majority of such Fission Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Fission Shareholders in advance of meetings of shareholders. Every Intermediary has its own mailing procedures and provides its own return instructions to clients.

These proxy related materials are being sent to Registered Fission Shareholders, Fission Optionholders and Beneficial Fission Shareholders.

Management of the Company does intend to pay for Intermediaries to forward to Objecting Beneficial Owners under NI 54-101 the proxy related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*.

Beneficial Fission Shareholders should follow the instructions of their Intermediary carefully to ensure that their Fission Shares are voted at the Meeting.

Most Intermediaries delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company.

The Company may utilize Broadridge’s QuickVote™ system to assist Fission Shareholders with voting their Fission Shares. Certain Beneficial Fission Shareholders who have not objected to the Company knowing who they are (non-objecting beneficial owners) may be contacted by Laurel Hill Advisory Group, which is soliciting proxies on behalf of management of the Company, to conveniently obtain a vote directly over the phone.

Generally, Beneficial Fission Shareholders can vote their Fission Shares by:

1. completing and returning a VIF to Broadridge; or
2. by duly appointing an alternate representative, whether themselves or a third party, to attend the Meeting and vote the corresponding Fission Shares at the Meeting.

Voting by VIF is the easiest way for Beneficial Fission Shareholders to cast their vote.

Voting Instructions for Beneficial Shareholders	
Option #1 – Submit Voting Instructions to Broadridge	
Complete and Submit your VIF	Complete the VIF in accordance with its instructions and submit in one of the following ways: <ul style="list-style-type: none"> - <u>Mail</u>: Using the envelope provided, send the duly completed, signed and dated VIF by mail. - <u>Online</u>: Visit www.proxyvote.com and vote using the unique 16-digit control number located on your VIF. - <u>Phone</u>: Call the toll-free number (English or French) shown on the VIF.
Deadline	Broadridge must receive your voting instructions by the time specified on the VIF in sufficient time to act on them, which will be at least one business day prior to the proxy deadline. It is recommended that you submit your VIF well in advance of the deadline to ensure it is effective.
Broadridge’s Process	Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Fission Shares to be represented at the Meeting.
Option #2 – Attend the Meeting Personally or Through a Representative	
Right to Appoint a Representative	The individuals named in the VIF are directors and/or officers and/or employees of Fission. You have the right to appoint a person (who need not be a Fission Shareholder), other than any of the persons designated in the VIF, to represent your Fission Shares at the Meeting and that person may be you.
Exercising your Right	Appoint yourself or a person other than any of those designated in the VIF as the proxyholder for your Fission Shares in one of the following ways: <ul style="list-style-type: none"> - <u>Mail</u>: Print the applicable name, yours or of your delgate, on the “Appointee” line on the first page of the VIF; sign and date the form and return it to Broadridge by mail. - <u>Online</u>: Visit www.proxyvote.com and insert the name of your proxy in the “Change Appointee(s)” section on the voting site.
Attend the Meeting	You or your designate must attending the Meeting for your vote to be counted.
Notice for US Beneficial Shareholders	To attend and vote at Meeting, you must first obtain a valid legal proxy from your Intermediary. Follow the instructions from your Intermediary included with these proxy materials or contact your Intermediary to request a legal proxy form. After first obtaining a valid legal proxy from your Intermediary, to then

register to attend the Meeting, you must submit a copy of your legal proxy to Computershare. Requests for registration should be directed to:

Computershare Investor Services Inc.
100 University Avenue, 8th Floor
Toronto, Ontario M5J 2Y1
or
e-mail at: USlegalproxy@computershare.com

Attending the Meeting

Only Fission Shareholders and Fission Optionholders of record at the Record Date, duly appointed proxyholders, including Beneficial Fission Shareholders who have duly appointed themselves a proxyholder, and other permitted attendees may participate and ask question at the Meeting. Paladin representatives may also attend the Meeting as guests without participation rights.

Notice-And-Access

The Company is not relying on the “notice-and-access” delivery procedures outlined in NI 54-101 to distribute copies of the proxy related materials in connection with the Meeting to Registered Fission Shareholders, Fission Optionholders or Beneficial Fission Shareholders.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Fission’s authorized share capital consists of an unlimited number of Fission Shares without par value. As at the Record Date, there are 856,367,927 fully paid and non-assessable Fission Shares issued and outstanding. Fission Shareholders of record at the close of business on the Record Date, being July 19, 2024, or their duly appointed proxyholders, are entitled to vote at the Meeting. Each Fission Share entitles the holder thereof to one vote on the Arrangement Resolution.

Fission Optionholders of record at the close of business on the Record Date, or their duly appointed proxyholders, are also entitled to vote with the Fission Shareholders, together as a single class, on the Arrangement Resolution on the basis of one vote for each Fission Option held (in each case whether vested or unvested), as applicable. As at the Record Date, a total of 71,884,000 Fission Options were issued and outstanding. Accordingly, the maximum number of expected potential votes at the Meeting in respect of outstanding Fission Shares and Fission Options totals 928,251,927.

The quorum for the transaction of business at the Meeting is at least two individuals present in person, each being a Fission Shareholder or a duly appointed proxyholder entitled to vote at the Meeting, holding or representing, in the aggregate, at least 25% of the issued and outstanding Fission Shares entitled to vote at the Meeting.

To the knowledge of the directors or executive officers of the Company as of the Record Date, no person beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of Fission carrying 10% or more of the voting rights attached to any class of voting securities of Fission, except for the following:

Securityholder Name	Fission Shares Owned, Controlled or Directed	% of Fission Shares
CGN Mining Company Limited	96,736,540	11.3%

THE ARRANGEMENT

Background to the Arrangement

The entering into of the Arrangement Agreement was the result of a review by Fission of the available strategic alternatives and seeking to maximize value to its stakeholders. The terms of the Arrangement Agreement were arrived at through extensive arm's length negotiations conducted among representatives of Fission and Paladin, including their respective financial and legal advisors. The following is a summary of the principal events that preceded the execution of the Arrangement Agreement and the public announcement of the Arrangement on June 24, 2024.

Fission's management team and the Board regularly review and consider Fission's long-term strategic plans and objectives with the goal of enhancing shareholder value, including assessing the relative merits of continuing as an independent enterprise, business combinations or acquisitions, and other strategic opportunities.

Over the last 24 months, in the ordinary course of business, the Company has periodically had discussions with industry peers to explore potential strategic opportunities which included, among other things, corporate-level transactions. On October 28, 2022, Fission engaged SCP to act as its financial advisor to assist it in evaluating strategic alternatives available to Fission. In the meantime, Fission continued to advance PLS and, as one strategic alternative, considered developing PLS on its own or with a partner. In certain circumstances, confidentiality agreements were entered into as a prerequisite to engaging in strategic discussions with certain parties and sharing of information. This ultimately led to advanced discussions with Paladin and one other party ("**Party 1**").

In the case of Party 1, an initial confidentiality agreement was entered into in November 2022.

On November 23, 2022, Party 1 delivered an initial non-binding proposal ("**Initial Party 1 Proposal**") to Fission with respect to a proposed acquisition by Party 1 of all of the issued and outstanding Fission Shares at a premium to Fission's 20-day VWAP payable in shares in the capital of Party 1 ("**Party 1 Shares**"). The Initial Party 1 Proposal contained a number of conditions outside of the control of Fission.

On November 27, 2022, the Board met to consider the Initial Party 1 Proposal with its advisors and Fission's senior management. After consideration of the Initial Party 1 Proposal, the Board instructed Fission management to counter the Initial Party 1 Proposal, including requesting that Party 1 increase the proposed premium and resolve certain conditions outside of Fission's control contained in the Initial Party 1 Proposal. Following receipt of Fission's counter offer, Party 1 informed Fission that it would not provide a counter offer and negotiations terminated.

On November 27, 2023, introductory emails were exchanged between senior management of Fission and Paladin and the parties arranged for a future meeting to explore the possibility of an arrangement between the companies.

As part of the ongoing discussions between Fission and Paladin, the parties entered into a mutual confidentiality agreement on December 4, 2023.

On December 6, 2023, management of Fission and Paladin had an initial discussion on potentially combining the two companies.

On December 11, 2023, Party 1 delivered a second non-binding proposal (“**Second Party 1 Proposal**”) to Fission with respect to a proposed acquisition by Party 1 of all of the issued and outstanding Fission Shares at a premium to Fission’s 20-day VWAP payable in Party 1 Shares. The Second Party 1 Proposal contained a number of conditions outside of the control of Fission.

On December 14, 2023, the Board met to consider the Second Party 1 Proposal. SCP presented their analysis of the Second Party 1 Proposal, including strategic considerations for a sale to Party 1, valuation metrics, comparable precedent transactions and other financial matters. Blakes advised the Board on their duties as directors and outlined various legal considerations in respect of the Second Party 1 Proposal.

On January 3, 2024, after discussions and having considered the advice of Blakes, the Board approved the formation of the Special Committee comprised of Beatriz Orrantia, Darian Yip, Frank Estergaard and Rob Chang (each an independent director of Fission). The Board also approved a broad mandate for the Special Committee that included responsibility for, among other things, reviewing, assessing and examining, and reporting to the Board on any proposals or offers to acquire all of the issued and outstanding securities of the Company, and reviewing, assessing and examining any strategic alternatives available to Fission that may offer greater value to Fission Shareholders and which may otherwise be in the best interests of the Company. In carrying out its responsibilities, the Special Committee was authorized to, among other things, retain financial and other advisors if required or considered to be appropriate in the circumstances. Blakes advised the Board on its duties as directors, both generally and in the context of the Second Party 1 Proposal. The members of the Board were provided with an opportunity to ask questions and received responses from Blakes.

On January 6, 2024, Party 1 delivered a draft arrangement agreement to Fission.

During the course of January 2024, Fission and Party 1 negotiated the definitive documents extensively and the Special Committee met on numerous occasions to discuss the merits of the proposed transaction with Party 1.

On January 25, 2024, the Special Committee retained CFCC as its financial advisor and to provide a fixed fee fairness opinion in connection with a potential change of control transaction.

Negotiations between Party 1 and Fission terminated at the end of January 2024 when it became evident to the Special Committee, the Board and Fission’s management team that the conditions to the transaction with Party 1 which were outside of Fission’s control could not be satisfied.

On January 31, 2024, Fission senior management reached out to Paladin management to recommence discussions on a potential business combination transaction.

Members of management of Paladin and Fission met virtually on February 5, 2024. The meeting was introductory in nature and the general concept of consolidation and a possible combination between Fission and Paladin were discussed in very broad terms. Following this introductory meeting, Fission’s management team initiated a review of publicly available information related to Paladin. Fission provided Paladin access to Fission’s virtual data room on February 6, 2024 for the purposes of Paladin’s technical, financial, and legal due diligence. Fission continued with its technical, financial, and legal due diligence with additional non-public information provided by Paladin.

On February 25, 2024, senior management of Fission and Paladin met in person and discussed the potential of a business combination.

On April 29, 2024, Paladin delivered an initial non-binding proposal (“**Initial Paladin Proposal**”) to Fission with respect to a proposed acquisition by Paladin of all of the issued and outstanding Fission Shares at a premium to Fission’s undisturbed 20-day VWAP payable in Paladin Shares. As part of the Initial Paladin Proposal, Paladin requested an exclusivity period to negotiate and finalize definitive agreements. Following the receipt of the Initial Paladin Proposal, both Paladin and Fission continued a review of the information, data and materials that been made available in each party’s virtual data room. On April 29, 2024,

Fission reconstituted the Special Committee comprised of Beatriz Orrantia, Darian Yip, Frank Estergaard and Rob Chang (each an independent director of Fission).

Also on April 29, 2024, the Board met with SCP, Fission's senior management and Blakes to consider the Initial Paladin Proposal. Blakes reminded the Board of its duties as directors, both generally and in the context of the Initial Paladin Proposal. The members of the Board were provided with an opportunity to ask questions and received responses from Blakes. The Board discussed various alternatives that the Company could take in response to receipt of the Initial Paladin Proposal. This discussion included: (a) a comparison between the consideration offered in the Initial Paladin Proposal and the estimated value of the Company based on a number of different financial metrics; (b) the likelihood of increasing the consideration with further negotiation; (c) the likelihood of alternative proposals from other parties (including Party 1) including which potential alternative would be in the best interests of the Company and the risks and opportunities associated with each potential alternative; and (d) the timing of the Initial Paladin Proposal and the merits of entering into exclusivity before engaging in substantive negotiations. The Special Committee reviewed and evaluated the Initial Paladin Proposal, considered comparisons to precedent transactions and a comparison to the Company's standalone prospects. The Board considered potential next steps available to the Company in relation to the Initial Paladin Proposal and other possible alternatives. On April 30, 2024, the Special Committee met to receive an update on the potential transaction with Paladin and re-engage CFCC.

On May 1, 2024, Mr. Ross McElroy and Mr. Ian Purdy had a phone call to discuss the Initial Paladin Proposal and Fission's comments on the Initial Paladin Proposal.

On May 6, 2024, Paladin delivered a second non-binding proposal ("**Second Paladin Proposal**") to Fission with respect to a proposed acquisition by Paladin of all of the issued and outstanding Fission Shares at an increased premium to Fission's undisturbed 20-day VWAP payable in Paladin Shares. As part of the Second Paladin Proposal, Paladin, again, requested that Paladin and Fission enter into exclusive negotiations. Also on May 6, 2024, Paladin and Fission executed the Second Paladin Proposal. Following execution of the Second Paladin Proposal, the Special Committee, the Board, Fission's management team, Blakes, SCP and CFCC regularly discussed the status of the proposed Arrangement and the status of the negotiations.

On May 8, 2024, Paladin provided access to Fission to its own virtual data room.

On May 27, 2024, Paladin delivered to Fission an initial draft of the Arrangement Agreement. The Special Committee reviewed and considered the Arrangement Agreement extensively and received advice from Blakes and its financial advisors on the draft Arrangement Agreement.

On June 5, 2024, Fission delivered a revised draft of the Arrangement Agreement to Paladin.

On June 11, 2024, Blakes met with Fasken to discuss key issues relating to the Arrangement Agreement, following which, Paladin delivered a revised draft of the Arrangement Agreement to Fission. After receiving the revised Arrangement Agreement on June 11, 2024, the Special Committee met to discuss certain key issues relating to Arrangement and Paladin's portfolio of assets, and to receive an update on due diligence on the Paladin assets. The Special Committee also received an update on the legal and financial due diligence that was being performed on Paladin. The Special Committee also received an overview of the status of the transaction from Blakes and provided instructions on certain aspects of the draft Arrangement Agreement.

On June 16, 2024, Paladin delivered a revised draft of the Arrangement Agreement to Fission.

On June 18, 2024, CFCC provided the Special Committee with initial summary information on the Company and Paladin, and trading information on the Company and Paladin.

On June 19, 2024, Fission delivered a revised draft of the Arrangement Agreement to Paladin.

On June 20, 2024, Paladin delivered a revised draft of the Arrangement Agreement to Fission.

On June 22, 2024, the Special Committee held a meeting to, among other things, receive an update on the Arrangement.

On June 23, 2024, the Special Committee met with CFCC during which CFCC provided its oral opinion, which was subsequently confirmed by delivery of a written opinion, that, as of June 23, 2024, and subject to the assumptions, limitations, and qualifications set out therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders. Following this meeting, the Special Committee met with the full Board and Fission's senior management, together with representatives of Blakes and SCP. At the meeting SCP provided its oral opinion, which was subsequently confirmed by delivery of a written opinion, that, as of June 23, 2024, and subject to the assumptions, limitations, and qualifications set out therein, the Share Consideration to be received by Fission Shareholders pursuant to the Plan of Arrangement is fair, from a financial point of view, to the Fission Shareholders. After discussion and consideration, including a review of the terms and conditions of the proposed transaction and, in particular, the ability to respond to Superior Proposals, the benefits and risks associated with the Arrangement, the business of Fission, the expected timing, the risks associated with the Arrangement, the Fairness Opinions and other relevant matters, the Special Committee unanimously determined that the Arrangement is fair to the Fission Shareholders and the Arrangement and the entering into of the Arrangement Agreement are in the best interests of Fission and unanimously recommended to the Board that the Board approve the Arrangement and the entering into of the Arrangement Agreement and ancillary agreements, and recommend that Fission Securityholders vote in favour of the Arrangement.

Following the receipt of the report of the Special Committee, Blakes reviewed with the Board the terms of the Arrangement Agreement and ancillary agreements to be entered into in connection with the Arrangement, and the Board was provided with the opportunity to ask questions of Fission's senior management and of its legal and financial advisors. After a discussion and taking into consideration the unanimous recommendation of the Special Committee, its own assessment of the proposed transaction and the interests of Fission and the Fission Shareholders, the Fairness Opinions and other relevant matters, the Board determined that the Share Consideration is fair to the Fission Shareholders and the Arrangement and the entering into of the Arrangement Agreement are in the best interests of Fission. The Board approved entering into the Arrangement Agreement and the ancillary agreements and resolved to recommend that Fission Securityholders vote in favour of the Arrangement. Fission and Paladin executed the Arrangement Agreement late in the evening of June 23, 2024, effective as of June 24, 2024, and jointly announced the Arrangement prior to the open of the market on June 24, 2024.

Recommendation of the Special Committee

The Special Committee, after careful consideration of such matters as it considered relevant, including the factors set out below under the subheading "*Reasons for the Arrangement*" and, among other things, (i) the terms and conditions of the Arrangement Agreement; (ii) the benefits and risks associated with the Arrangement; (iii) other strategic alternatives and options available to the Company; (iv) its evaluation of the Arrangement in consultation with management of Fission and its legal and financial advisors, including receipt of the CFCC Opinion; and (v) the impact of the Arrangement on Fission Shareholders and other stakeholders of the Company, has unanimously determined that the Arrangement is in the best interests of Fission, is fair to Fission Shareholders and is fair and reasonable to stakeholders whose rights are affected by the Arrangement, and has unanimously recommended to the Board that it authorize Fission entering into the Arrangement Agreement and the performance of its obligations thereunder and recommend that Fission Securityholders vote in favour of the Arrangement Resolution.

Recommendation of the Board

The Board, after careful consideration of such matters as it considered relevant, including the factors set out below under the subheading "*Reasons for the Arrangement*" and, among other things, (i) the terms and conditions of the Arrangement Agreement; (ii) the benefits and risks associated with the Arrangement; (iii) other strategic alternatives and options available to the Company; (iv) its evaluation of the Arrangement in consultation with management of Fission and its legal and financial advisors, including receipt of the SCP Opinion; (v) the impact of the Arrangement on Fission Shareholders and other stakeholders of the Company; and (vi) the unanimous recommendation of the Special Committee, has determined that the

Arrangement is in the best interests of Fission and is fair to Fission Shareholders and is fair and reasonable to stakeholders whose rights are affected by the Arrangement and has authorized Fission to enter into the Arrangement Agreement and perform its obligations thereunder. **Accordingly, the Board recommends that the Fission Securityholders vote FOR the Arrangement Resolution (the “Board Recommendation”).**

Reasons for the Arrangement

In evaluating and approving the Arrangement and making their respective recommendations, the Special Committee and the Board gave careful consideration to the current position and condition, and the expected and potential future position and condition, of the business of the Company, and all terms of the Arrangement Agreement, including the conditions precedent, representations and warranties and deal protection provisions. The Special Committee and the Board considered a number of factors including, among others, the following:

- **Attractive and Immediate Premium** – a 30% premium to Fission’s undisturbed 20-day VWAP, payable in Paladin Shares so as to enable Fission Shareholders to continue to participate in the upside of PLS and Paladin.
- **Meaningful Ownership in a Global Multi-Asset Uranium Leader** – Fission Shareholders will own approximately 24.0% of the outstanding Paladin Shares immediately following completion of the Arrangement, on a fully diluted basis, which will have a pro forma market capitalization of US\$3.5 billion (as of June 21, 2024) and a world-class production and growth pipeline.
- **Diversified Portfolio with Multi-Asset Production** - If the Arrangement becomes effective, the Combined Company will have two projects in production by 2029 (Langer Heinrich Mine and PLS) and a pro-forma Mineral Resources of 544Mlb and Ore Reserves of 157 Mlb, representing one of the largest amongst pure-play uranium companies globally spread across tier-1 uranium jurisdiction of Canada, Namibia and Australia.
- **De-risks PLS Development** - Paladin has a strong balance sheet with US\$50 million in cash and US\$125 million, as of March 31, 2024, in available debt facilities, along with expected future cash flows from the commencement of production at the Langer Heinrich Mine, which can be leveraged to fund the development of PLS, thereby reducing dilution to Fission Shareholders. Paladin’s project delivery, uranium marketing and processing expertise will complement Fission’s technical strength, de-risking the development of PLS and maximizing value for shareholders.
- **Continued Participation and Ability to Progress Development of PLS** – Fission Shareholders will continue to have exposure to PLS through their Paladin Shares following completion of the Arrangement.
- **Increased International Capital Market Presence** - Opportunity to retain TSX-listed shares in a leading ASX100 growth-focused uranium company providing increased trading liquidity and an enhanced capital markets presence.
- **Paladin’s Commitment to Canada** – Paladin owns the Michelin Project, an advanced exploration stage uranium project in the highly prospective Central Mineral Belt of Labrador, since 2011. The anticipated re-listing of Paladin Shares on the TSX and the addition of PLS significantly grows Paladin’s commitment to uranium exploration.
- **Access to Near-term Cash-Flow from Langer Heinrich Mine** – Fission Shareholders will gain exposure to the globally significant Langer Heinrich Mine, where Paladin successfully recommenced commercial production on March 30, 2024. Paladin has built a high-quality contract portfolio with tier-1 utilities in the US, Europe and Asia. These internationally based utilities account for over 20% of global uranium consumption. Fission Shareholders will benefit in the near term from Paladin’s contract portfolio, which is 80% exposed to uncapped market prices. Paladin also has flexible shipping arrangements and early payment terms with its largest customer, providing

significant delivery flexibility and improved cash flow during the ramp-up of operations at the Langer Heinrich Mine.

- **Robust and Supervised Negotiation Process** – The Arrangement is the result of a robust negotiation process that was undertaken under the supervision of the Special Committee, which was comprised entirely of independent directors, and which received advice from independent advisors throughout the process.
- **CFCC Opinion** – The receipt by the Special Committee of the CFCC Opinion which concluded that, as of June 23, 2024, subject to and based on the assumptions, qualifications and limitations contained therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders. See “*The Arrangement – Fairness Opinions – CFCC Opinion*” in this Circular. Fission Securityholders are urged to read the CFCC Opinion in its entirety. The full text of the CFCC Opinion attached as Appendix E to this Circular.
- **SCP Opinion** - The receipt by the Board of the SCP Opinion which concluded that, as of the date of such opinion, subject to and based on the assumptions, qualifications and limitations contained therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders. See “*The Arrangement – Fairness Opinions – SCP Opinion*” in this Circular. Fission Securityholders are urged to read the SCP Opinion in its entirety. The full text of the SCP Opinion attached as Appendix F to this Circular.
- **Ability to Respond to Unsolicited Superior Proposals** – Subject to the terms of the Arrangement Agreement, the Board will remain able to respond to any unsolicited bona fide written proposal that, having regard for all of its terms and conditions, if consummated in accordance with its terms, could reasonably be expected to lead to a Superior Proposal. The amount of the termination fee payable by Fission to the Purchaser in certain circumstances, being \$40 million, is within the range of termination fees considered reasonable for transactions of this size and nature and would not, in the view of the Board preclude a third party from making a Superior Proposal.
- **Fairness of the Conditions** – The Arrangement Agreement provides for certain conditions to completion of the Arrangement, which conditions are not unduly onerous or outside market practice and could reasonably be expected to be satisfied in the judgment of the Board.
- **Ability to Close** – The Parties are committed to completing the Arrangement and anticipate that the Parties will be able to complete the Arrangement, in accordance with the terms of the Arrangement Agreement, within a reasonable time and in any event prior to the Outside Date.
- **Securityholder and Court Approval** – The Arrangement is subject to the following securityholder and Court approvals, which protect Fission Securityholders:
 - The Arrangement Resolution requires approval of at least (i) two thirds of the votes cast on the Arrangement Resolution by Fission Shareholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class; (ii) two third of the votes cast on the Arrangement Resolution by Fission Shareholders and Fission Optionholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class; (iii) a simple majority of votes attached to Fission Securities held by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting excluding those votes attached to Fission Securities held or controlled by persons described in items (a) through (d) of Section 8.1(2) of MI 61-101; and
 - The Arrangement is subject to a determination of the Court that the Arrangement is fair and reasonable, both procedurally and substantively, to Fission Shareholders, Fission Optionholders and other affected Persons.

- **Regulatory Approvals** – The completion of the Arrangement is subject to receipt of the Key Regulatory Approvals.
- **Support of Directors and Officers** – Certain of the directors and officers of the Company (the “**Supporting Fission Securityholders**”) have entered into Support Agreements (as defined herein), and subject to the terms thereof, they have agreed, among other things, to vote their Fission Securities in favour of the Arrangement Resolution. See “*The Arrangement – Support Agreements*” in this Circular for more information.
- **Dissent Rights** – The terms of the Plan of Arrangement provide that Registered Fission Shareholders who oppose the Arrangement may, upon compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive fair value for their Fission Shares (as described in the Plan of Arrangement).

The Special Committee and the Board also considered a number of potential issues and risks related to the Arrangement and the Arrangement Agreement, including, among others:

- the risks to Fission and Fission Shareholders if the Arrangement is not completed, including the costs to Fission in pursuing the Arrangement and the diversion of Fission’s management from the conduct of Fission’s business in the ordinary course;
- the terms of the Arrangement Agreement in respect of restricting Fission from soliciting third parties to make an Acquisition Proposal and the specific requirements regarding what constitutes a Superior Proposal;
- the terms of the Arrangement Agreement that require Fission to conduct its business in the ordinary course and prevent Fission from taking certain specified actions, which may delay or prevent Fission from taking certain actions to advance its business pending consummation of the Arrangement;
- the fact that, following the Arrangement, Fission will no longer exist as an independent public company and the Fission Shares will be delisted from the TSX;
- the Termination Fee payable to the Purchaser in certain circumstances, including if Fission enters into an agreement in respect of a Superior Proposal;
- the conditions to Paladin and the Purchaser’s obligations to complete the Arrangement; and
- the right of Paladin and the Purchaser to terminate the Arrangement Agreement under certain circumstances.

The above discussion of the information and factors considered by the Special Committee and the Board is not intended to be exhaustive, but is believed by the Special Committee and the Board to include the material factors considered by the Special Committee and the Board in their assessment of the Arrangement. In view of the wide variety of factors considered by the Special Committee and the Board in connection with their assessment of the Arrangement and the complexity of such matters, neither the Special Committee nor the Board considered it practical, and did not attempt, to quantify, rank or otherwise assign relative weights to the foregoing factors that it considered in reaching its decision. In addition, in considering the factors described above, individual members of the Special Committee and/or the Board may have given different weights to various factors and may have applied different analyses to each of the material factors considered by the Special Committee and the Board.

The Board’s reasons for recommending the Arrangement include certain assumptions relating to forward-looking information and such information and assumptions are subject to various risks. This information should be read in light of the factors described under the heading “*Forward-Looking Statements*” and under the heading “*Risks Relating to the Arrangement*”.

Fairness Opinions

CFCC Opinion

In connection with the evaluation of the Arrangement, the Special Committee received and considered, among other things, the CFCC Opinion.

Pursuant to an engagement letter dated January 25, 2024, CFCC was retained by the Special Committee to act as its independent financial advisor. The engagement includes providing the Special Committee with an opinion as to the fairness, from a financial point of view, of the consideration to be received by Fission Shareholders pursuant to any potential transaction, such opinion to set out both its conclusion and a summary of the financial analysis supporting its conclusion.

On June 23, 2024, at a meeting of the Special Committee, CFCC delivered an oral opinion to the Special Committee and the Board, which was subsequently confirmed in writing to the effect that, as of the date thereof, based on and subject to the assumptions, limitations and qualifications set out therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders.

Fission Securityholders are urged to read the CFCC Opinion in its entirety. The summary above is qualified in its entirety by reference to the full text of the written CFCC Opinion attached as Appendix E to this Circular which, among other things, sets out (a) the assumptions made, information reviewed, matters considered, qualifications, and limitations on the review undertaken by CFCC and (b) the material financial analyses considered and certain additional factors considered by CFCC in connection with the CFCC Opinion. CFCC provided the CFCC Opinion solely for the information of the members of the Special Committee. The CFCC Opinion was only one of many factors considered by the Special Committee in evaluating and approving the terms of the Arrangement Agreement, making its unanimous determination that the Arrangement is in the best interests of Fission and that the Share Consideration is fair to the Fission Shareholders and unanimously recommending that the Fission Securityholders vote in favour of the Arrangement Resolution. The CFCC Opinion does not address any other terms, aspects or implications of the Arrangement. The CFCC Opinion may not be relied upon by any other person or used for any other purpose. CFCC expressed no view as to, and its opinion did not address, the underlying business decision of Fission to effect or enter into the Arrangement. The CFCC Opinion is not intended to be and does not constitute a recommendation as to any election that a Fission Shareholder might make or how the Board, the Special Committee or any Fission Securityholder should vote or act on any matters relating to the proposed Arrangement, or otherwise. The CFCC Opinion may not be reproduced, disseminated, quoted from or referred to (in whole or in part), without the prior written consent of CFCC, which consent has been obtained for the purpose of the inclusion of the CFCC Opinion and the summary thereof in this Circular.

Under the terms of the engagement, Fission agreed to pay CFCC a fixed fee for rendering the CFCC Opinion and a monthly retainer payable until the Special Committee is dissolved and/or the Arrangement or any other transaction is completed. The fees payable to CFCC under the engagement letter are not contingent upon the conclusions reached by CFCC in the CFCC Opinion, or upon the successful completion of the Arrangement or any other transaction. In addition, Fission has agreed to reimburse CFCC for all of its reasonable out-of-pocket expenses incurred in respect of its engagement (including the reasonable fees and disbursements of its legal counsel) and to indemnify CFCC (and certain other persons) against certain liabilities which may arise out of its engagement.

SCP Opinion

In connection with the evaluation of the Arrangement, the Board received and considered, among other things, the SCP Opinion.

Pursuant to an engagement letter dated October 28, 2022, SCP was retained by Fission to act as its financial advisor to assist in evaluating strategic alternatives available to Fission. The engagement includes providing Fission with an opinion as to the fairness, from a financial point of view, of the consideration to be received by Fission Shareholders pursuant to any potential

transaction, such opinion to set out both its conclusion and a summary of the financial analysis supporting its conclusion. On June 23, 2024, at a meeting of the Board, SCP delivered an oral opinion to the Board, which was subsequently confirmed in writing, to the effect that, as of the date thereof, based on and subject to the assumptions, limitations and qualifications set out therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders.

Fission Securityholders are urged to read the SCP Opinion in its entirety. The summary above is qualified in its entirety by reference to the full text of the written SCP Opinion attached as Appendix F to this Circular which, among other things, sets out (a) the assumptions made, information reviewed, matters considered, qualifications, and limitations on the review undertaken by SCP and (b) the material financial analyses considered and certain additional factors considered by SCP in connection with the SCP Opinion. SCP provided the SCP Opinion solely for the information of the members of the Board. The SCP Opinion was only one of many factors considered by the Board in evaluating and approving the terms of the Arrangement Agreement, making its determination that the Arrangement is in the best interests of Fission and that the Share Consideration is fair to the Fission Shareholders and recommending that the Fission Securityholders vote in favour of the Arrangement Resolution. The SCP Opinion does not address any other terms, aspects or implications of the Arrangement. The SCP Opinion may not be relied upon by any other person or used for any other purpose. SCP expressed no view as to, and its opinion did not address, the underlying business decision of Fission to effect or enter into the Arrangement. The SCP Opinion is not intended to be and does not constitute a recommendation as to any election that a Fission Shareholder might make or how the Board or any Fission Securityholder should vote or act on any matters relating to the proposed Arrangement, or otherwise. The SCP Opinion may not be reproduced, disseminated, quoted from or referred to (in whole or in part), without the prior written consent of SCP, which consent has been obtained for the purpose of the inclusion of the SCP Opinion and the summary thereof in this Circular.

Under the terms of the engagement, Fission agreed to pay SCP a fee for rendering the SCP Opinion (which is not contingent upon the conclusions reached by SCP, the SCP Opinion, or upon the successful completion of the Arrangement or any other transaction) and an additional fee, which is contingent upon the Arrangement (or any other transaction) being successfully completed. In the event that Fission becomes entitled to receive a break fee as a result of the termination of a transaction, other than the Arrangement, SCP is entitled to an additional fee. In addition, Fission has agreed to reimburse SCP for all of its reasonable out-of-pocket expenses incurred in respect of its engagement (including the reasonable fees and disbursements of its legal counsel) and to indemnify SCP (and certain other persons) against certain liabilities which may arise out of its engagement.

Support Agreements

The Supporting Fission Securityholders have entered into Support Agreements with Paladin and the Purchaser pursuant to which they have agreed to vote in favour of the Arrangement Resolution. As of the Record Date, the Supporting Fission Securityholders hold (i) a total of 6,873,746 Fission Shares, representing approximately 0.8% of the outstanding Fission Shares, (ii) a total of 48,383,334 Fission Options, representing approximately 67.3% of the outstanding Fission Options, for a total of approximately 6.0% of the outstanding Fission Securities that will have voting rights at the Meeting.

The Supporting Fission Securityholders have agreed, subject to the terms of the Support Agreements, among other things to: (i) not directly or indirectly, solicit, initiate, knowingly encourage or otherwise facilitate or take any action to solicit, initiate or knowingly encourage or otherwise facilitate, or take any action to solicit, initiate or knowingly encourage or otherwise facilitate, or otherwise engage or participate in, and immediately cease and cause to be terminated, any negotiations or any discussions regarding any inquiry, proposal, expression of interest or offer that constitutes or could reasonably be expected to constitute or lead to, an Acquisition Proposal; (ii) attend any meeting of Fission Securityholders convened for the purpose of considering the Arrangement or to give effect to the Arrangement (including any adjournments or postponements thereof), and at such meeting, cause its Subject Securities to be counted as present for purposes of establishing quorum, and vote or cause to be voted all of the Subject Securities in favour of the approval of the Arrangement (including the Arrangement Resolution) and the transactions contemplated by the Arrangement Agreement (and any actions reasonably required for the consummation of the transactions contemplated in the Arrangement Agreement and all matters related thereto); (iii) attend any meeting of Fission Shareholders convened for the purpose of considering any Acquisition Proposal or any other transaction or matter that

could reasonably be expected to delay, prevent or interfere with the consummation of the Arrangement, and at such meeting, vote or cause to be voted all of the Subject Securities against any Acquisition Proposal and/or any transaction or matter that could reasonably be expected to delay, prevent, frustrate or interfere with the consummation of the Arrangement or any transaction or matter contemplated by the Arrangement Agreement (including any adjournments and postponements thereof) and, at such meeting, cause its Subject Securities to be counted as present for purposes of establishing quorum and, vote or cause to be voted all of the Subject Securities against any Acquisition Proposal and/or any transaction or matter that could reasonably be expected to delay, prevent, frustrate or interfere with, the completion of the Arrangement or any transaction or matter related to the Arrangement or contemplated by the Arrangement Agreement; (iv) not tender or cause to be tendered any Subject Securities to any Acquisition Proposal or other transaction or matter other than the Arrangement; (v) not, without the prior written consent of Paladin and the Purchaser, sell, transfer, assign, pledge, hypothecate, encumber or grant a security interest in, gift or otherwise dispose of any Subject Securities, or enter into any agreement, arrangement or understanding in connection with any of the foregoing, other than (A) pursuant to the Arrangement or any other transactions contemplated by the Arrangement Agreement, or permit any affiliate of the Supporting Fission Securityholder to do any of the foregoing and (B) with respect to the sale of any Fission Shares, including those acquired upon the exercise of Fission Options, solely in order to satisfy any tax liabilities that arise in the connection therewith; (vi) not, except as required pursuant to the Support Agreements, grant or agree to grant any proxy, power of attorney or other right to vote the Subject Securities, or deposit any of the Subject Securities into any voting trust or enter into any vote pooling agreement, voting arrangement or subject any of such Subject Securities to any other agreement, arrangement, understanding or commitment, formal or informal, with respect to or relating to the voting, calling of meetings of the Fission Shareholders or other securityholders of Fission, the tendering thereof, or the granting of consents or approvals of any kind with respect to any Subject Securities; (vii) not exercise any rights of dissent or appraisal in respect of any resolution approving the Arrangement (including the Arrangement Resolution) or matter related to the transactions contemplated by the Arrangement Agreement, and not exercise any other securityholder rights to remedies or bring or threaten to bring any suit or proceedings available at common law or pursuant to securities, corporate Law or other Law or take any action that is reasonably likely to in any manner delay, hinder, prevent, frustrate, interfere with or challenge the Arrangement or any transaction contemplated by the Arrangement Agreement; (viii) not, without the prior written consent of Paladin and the Purchaser, requisition or join in the requisition of any meeting of any of the Fission Shareholders or other securityholders of the Company for the purpose of considering any resolution which may reasonably be expected to prevent, delay, frustrate or interfere with, the completion of the Arrangement or any transaction or matter related to the Arrangement or contemplated by the Arrangement Agreement; (ix) not make any public statement or take any other action of any kind which may reasonably be expected to prevent, delay, frustrate or interfere with the completion of the Arrangement or any transaction or matter related to the Arrangement or contemplated by the Arrangement Agreement; and (x) in the event that Paladin or the Purchaser undertakes an alternative transaction to the Arrangement involving Fission that results in Fission Shareholders receiving consideration that is no less favorable than the Share Consideration, reasonably cooperate to facilitate the objectives of Paladin, the Purchaser and Fission in respect of such alternative transaction. The Support Agreements do not bind the Supporting Fission Securityholders in their capacities as a director or officer of the Company or limit or restrict the Supporting Fission Securityholders from properly fulfilling their fiduciary duties as a director or officer of the Company.

The Support Agreements will automatically terminate upon the earlier of the Effective Time and the termination of the Arrangement Agreement in accordance with its terms.

Each Support Agreement may also be terminated: (a) at any time prior to the Effective Time by mutual consent, (b) by Paladin and the Purchaser if (i) any of the representations and warranties made by the Supporting Fission Securityholder in the Support Agreement are not true and correct in all material respects, or (ii) the Supporting Fission Securityholder shall not have complied with its covenants to Paladin and the Purchaser contained in the Support Agreement in all material respects; or (c) by the Supporting Fission Securityholder (i) if any of the representations and warranties of Paladin and the Purchaser contained in the supporting agreement shall not be true and correct in all material respects, or (ii) if Paladin and the Purchaser shall not have complied with their covenants to the Supporting Fission Securityholder contained in the Support Agreement in all material respects.

Copies of the Support Agreements are available under the Company’s SEDAR+ profile at www.sedarplus.com. The preceding is only a summary of the Support Agreements and is qualified in its entirety by reference to the full text of the Support Agreements.

Interests of Certain Persons in the Arrangement

In considering the Arrangement and the Board Recommendation, Fission Securityholders should be aware that certain directors and senior officers of the Company have interests that are, or may be, different from, or in addition to, the interests of other Fission Securityholders generally, which may present them with actual or potential conflicts of interest in connection with the Arrangement. The Board is aware of these interests and considered them along with the other matters, including those described above in “*The Arrangement – Reasons for the Arrangement*”, when recommending Approving the Arrangement and recommending that Fission Securityholders vote in favour of the Arrangement Resolution.

Other than the interests and benefits described below, none of the directors or officers of the Company or, to the knowledge of the directors and officers of the Company, any of their respective associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon in connection with the Arrangement or that would materially affect the Arrangement.

Fission Securities Held By Directors and Senior Officers of the Company

The table below sets out, for each director and senior officer of the Company, the number of Fission Shares and Fission Options beneficially owned or controlled or directed by each of them and their associates and affiliates that will be entitled to be voted at the Meeting, as of the Record Date.

Name and Position with the Company	Number of Fission Shares and % of Voting Class ⁽¹⁾⁽²⁾	Number of Fission Options and % of Voting Class ⁽¹⁾⁽²⁾
DARIAN YIP Board Chair	202,582 (0.02%)	5,900,000 (8.21%)
WILLIAM V. MARSH Director	369,516 (0.04%)	5,400,000 (7.51%)
FRANK ESTERGAARD⁽³⁾ Director	435,721 (0.05%)	5,400,000 (7.51%)
BEATRIZ ORRANTIA Director	26,441 (0.00%)	2,500,000 (3.48%)
ROB CHANG Director	198,789 (0.02%)	5,900,000 (8.21%)
FELIX WANG Director	52,679 (0.01%)	Nil
ROSS MCELROY⁽⁴⁾ CEO, President & Director	4,184,348 (0.49%)	7,700,000 (10.71%)
CHRIS SAMMARTINO CFO	760,494 (0.09%)	4,300,000 (5.98%)
GARY HAYWOOD VP Project Development	505 (0.00%)	5,166,666 (7.19%)
KANAN SARIOGLU VP Exploration	Nil	3,000,000 (4.17%)
ROBERT HEMMERLING Senior Manager – Investor Relations	695,350 (0.08%)	3,116,667 (4.34%)
TOTAL⁽⁵⁾	6,926,425 (0.81%)	48,383,333 (67.31%)

Notes:

- (1) Represents the percentage of votes held taking into account the votes attached to Fission Shares and Fission Options, respectively, as of the Record Date.
- (2) Totals rounded to nearest hundredth of a percent.
- (3) 176,669 Fission Shares held by Nancy Estergaard and 136,298 Fission Shares held by Frannan Enterprises.
- (4) 154,010 Fission Shares held by Edge Geological.
- (5) The directors and senior officers together, as of the Record Date, hold an aggregate of 55,309,759 Fission Securities that will be entitled to be voted at the Meeting, representing approximately 6.0% of the issued and outstanding Fission Securities that will be entitled to vote at the Meeting. Pursuant to the Support Agreements, the directors and senior officers of the Company agreed with Paladin and the Purchaser to, among other things, vote or cause to be voted such Fission Securities in favour of the Arrangement Resolution. See “Arrangement – Support Agreements” for more information.

Fission Shares

As of the Record Date, the directors and senior officers of the Company beneficially own, control or direct, directly or indirectly, an aggregate of 6,926,425 Fission Shares that will be entitled to be voted at the Meeting, representing approximately 0.81% of the issued and outstanding Fission Shares as of the Record Date.

All of the Fission Shares owned or controlled by such directors and senior officers of the Company will be treated in the same manner under the Arrangement as Fission Shares held by any other Fission Shareholder.

If the Arrangement is completed, the directors and senior officers of the Company will receive, as a group 745,278 Paladin Shares as part of the Share Consideration.

Fission Options

As of the Record Date, the directors and senior officers of the Company hold Fission Options exercisable for an aggregate of 48,383,334 Fission Shares that will be entitled to be voted at the Meeting on the Arrangement Resolution. These Fission Options have exercise prices ranging from \$0.31 to \$1.25 per Fission Share.

If the Arrangement is completed, each Fission Option held by the directors and senior officers of the Company (whether vested or unvested) outstanding immediately prior to the Effective Time shall immediately vest and, pursuant to the Plan of Arrangement, shall be, and shall be deemed to be, transferred and assigned by the Holder to the Purchaser in exchange for a number of Paladin Shares per Fission Option equal to (A) the amount by which the Offer Price exceeds the exercise price under such Fission Option to acquire one Fission Share divided by the Offer Price, multiplied by (B) the Exchange Ratio, with such Fission Option thereafter immediately being cancelled.

Employment Agreements and Compensation Bonus

Ross McElroy, Chief Executive Officer and President – The Company entered into a consulting services agreement (the “**McElroy Consultant Agreement**”) with Edge Geological Consulting Inc. (the “**McElroy Consultant**”). The McElroy Consultant agreed to provide executive management services consistent with the role of President and Chief Executive Officer which such services are to be provided by the McElroy Consultant’s principal, Mr. Ross McElroy. In consideration for the McElroy Consultant’s services, a consulting fee of \$600,000 per annum plus GST will be paid to the McElroy Consultant.

In the event of a change of control of the Company, the McElroy Consultant has a right to terminate the McElroy Consultant Agreement by giving written notice to the Company within 60 days of becoming aware of the change of control. In that event or if the Company terminates the McElroy Consultant Agreement without fundamental breach within 60 days of the change of control, the McElroy Consultant will be entitled to the following:

- (a) an amount equal to three times its annual fee;

- (b) any bonuses owing to the McElroy Consultant immediately prior to such termination and all stock options held immediately prior to such termination by the McElroy Consultant or Mr. McElroy, as applicable, shall vest and such stock options shall be exercisable by the McElroy Consultant or Mr. McElroy, as applicable, in accordance with the terms of the Company's stock option plan; and
- (c) the continuation of any employee benefit plans provided to Mr. McElroy for a period of 24 months following the date of the termination of the McElroy Consultant Agreement or, if such is not possible, the Company shall pay the McElroy Consultant the premium costs of procuring comparable benefits for a 24-month period.

Gary Haywood, VP Project Development – The Company entered into a consulting services agreement (the “**Haywood Consulting Agreement**”) with High Grade Mining Consulting Ltd. (the “**Haywood Consultant**”). The Haywood Consultant agreed to provide executive management services consistent with the role of VP Project Development which such services are to be provided by the Haywood Consultant's principal, Mr. Gary Haywood. In consideration for the Haywood Consultant's services, a consulting fee of \$375,000 per annum plus GST will be paid to the Haywood Consultant.

In the event that Mr. Haywood is constructively dismissed following a change of control of the Company, Mr. Haywood has a right to terminate the Haywood Consulting Agreement by giving written notice to the Company within 30 days of the constructive dismissal. In that event or if the Company terminates Mr. Haywood's employment without cause within the 24 month-period immediately following a change of control, Mr. Haywood will be entitled to the following:

- (a) if not already paid, his base salary and accrued vacation, if any, to the effective date of termination;
- (b) an amount equal to 24 months of his base salary; and
- (c) continuance of extended health care and life insurance for Mr. Haywood and his dependents for 24 months following the effective date of termination or, at the Company's option and sole discretion, an amount equal to all benefit contributions ordinarily paid by the Company on Mr. Haywood's behalf for those benefits for a 24-month period.

Kanan Sarioglu, VP Exploration – The Company entered into an employment agreement (the “**Sarioglu Agreement**”) with Mr. Kanan Sarioglu. The Company agreed to employ Mr. Sarioglu in the position of VP Exploration. In consideration for his services, Mr. Sarioglu will be paid \$260,000 per annum, and is eligible to receive a discretionary bonus in an amount to be determined at the sole discretion of the Board.

In the event that Mr. Sarioglu is constructively dismissed following a change of control of the Company, Mr. Sarioglu has a right to terminate the Sarioglu Agreement by giving written notice to the Company within 30 days of the constructive dismissal. In that event or if the Company terminates Mr. Sarioglu's employment without cause within the 24 months immediately following a change of control, Mr. Sarioglu will be entitled to the following:

- (a) if not already paid, his base salary and accrued vacation, if any, to the effective date of termination;
- (b) an amount equal to 24 months of his base salary; and
- (c) continuance of extended health care and life insurance for Mr. Sarioglu and his dependents for 24 months following the effective date of termination or, at the Company's option and sole discretion, an amount equal to all benefit contributions ordinarily paid by the Company on Mr. Sarioglu's behalf for those benefits for a 24-month period.

Chris Sammartino, Chief Financial Officer – The Company entered into an employment agreement (the “**Sammartino Agreement**”) with Mr. Chris Sammartino. Mr. Sammartino is currently the Chief Financial Officer of the Company. In consideration for his services, Mr. Sammartino will be paid \$200,000 per annum.

In the event that Mr. Sammartino is constructively dismissed following a change of control of the Company, Mr. Sammartino has a right to terminate the Sammartino Agreement by giving written notice to the Company within 30 days of the constructive dismissal. In that event or if the Company terminates Mr. Sammartino's employment without cause within the 24-month period immediately following a change of control, Mr. Sammartino will be entitled to the following:

- (a) if not already paid, his annual salary and accrued vacation, if any, to the effective date of termination;
- (b) an amount equal to 24 months of his base salary; and
- (c) continuance of extended health care and life insurance for Mr. Sammartino and his dependents for 24 months following the effective date of termination or, at the Company's option and sole discretion, an amount equal to all benefit contributions ordinarily paid by the Company on Mr. Sammartino's behalf for those benefits for a 24-month period.

Jeff Pryznyk, Environmental Manager – The Company entered into an employment agreement (the "**Pryznyk Agreement**") with Mr. Jeff Pryznyk. The Company agreed to employ Mr. Pryznyk in the position of Environmental Manager. In consideration for his services, Mr. Pryznyk will be paid \$180,000 per annum, and is eligible to receive a discretionary bonus in an amount to be determined at the sole discretion of the Board.

In the event that Mr. Pryznyk is constructively dismissed following a change of control of the Company, M. Pryznyk has a right to terminate the Pryznyk Agreement by giving written notice to the Company within 30 days of the constructive dismissal. In that event or if the Company terminates Mr. Pryznyk's employment without cause within the 12 month period immediately following a change of control, Mr. Pryznyk will be entitled to the following:

- (a) if not already paid, his base salary and accrued vacation, if any, to the effective date of termination;
- (b) an amount equal to 18 weeks of his base salary; and
- (c) continuance of extended health care and life insurance for Mr. Pryznyk and his dependents for 18 weeks following the effective date of termination or, at the Company's option and sole discretion, an amount equal to all benefit contributions ordinarily paid by the Company on Mr. Pryznyk's behalf for an 18 week period.

Pursuant to the above mentioned agreements, if the Arrangement is completed and the entitlements are triggered as described above following the completion of the Arrangement on the Effective Date, the above-mentioned employees and contractor would be entitled to collectively receive aggregate compensation of approximately \$3,532,308, as follows:

Name	Potential Change of Control Payment
Ross McElroy	\$1,800,000
Gary Haywood	\$750,000
Kanan Sarioglu	\$520,000
Chris Sammartino	\$400,000
Jeff Pryznyk	\$62,308

Insurance Indemnification of Directors and Officers of the Company

The Arrangement Agreement provides that all rights to indemnification existing in favour of the present and former directors and officers of the Company and its subsidiaries as provided for in any contract, agreement, license, franchise, lease, arrangement, commitment, understanding, joint venture, partnership, note, instrument or other right or obligation by which the Company or any of its subsidiaries is bound will survive and will continue in full force and effect and without modification for a period of six years following the Effective Date. Prior to the Effective Time, Fission may purchase prepaid non-cancellable

run-off directors' and officer's liability insurance, at a cost not exceeding 300% of the Company's current annual aggregate premium for directors' and officers' liability policies currently maintained by the Company and its subsidiaries, providing coverage for a period of six years from the Effective Date with respect to claims arising from or related to facts or events which occur on or prior to the Effective Date.

Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions

Fission is a reporting issuer in all provinces and territories in Canada and, accordingly, is subject to MI 61-101. MI 61-101 is intended to regulate certain transactions to ensure equality of treatment among security holders, generally requiring enhanced disclosure, approval by a majority of security holders excluding "interested parties" or "related parties" (as such terms are defined in MI 61-101) and/or, in certain instances, independent valuations and approval and oversight of the transaction by a special committee of independent directors. The protections of MI 61-101 generally apply to "business combinations" (as defined in MI 61-101) that terminate the interests of security holders without their consent.

MI 61-101 provides that, in certain circumstances, where a related party of an issuer is entitled to receive a "collateral benefit" (as defined in MI 61-101) in connection with an arrangement transaction (such as the Arrangement), such transaction may be considered a "business combination" for the purposes of MI 61-101 and subject to the "minority approval" requirements under MI 61-101.

A "collateral benefit", as defined in MI 61-101, includes any benefit that a related party of Fission (which includes the directors and senior officers of Fission) is entitled to receive, directly or indirectly, as a consequence of the Arrangement, including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancement in benefits related to past or future services as an employee, director or consultant of Fission. However, under MI 61-101, a benefit received by a related party of Fission is not considered to be a collateral benefit if the benefit is received solely in connection with the related party's services as an employee, director or consultant of Fission or an affiliated entity and (i) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the Arrangement, (ii) the conferring of the benefit is not, by its terms, conditional on the related party supporting the Arrangement in any manner, (iii) full particulars of the benefit are disclosed in the disclosure document for the transaction, and (iv) either (A) at the time the Arrangement was agreed to, the related party and its associated entities beneficially owned or exercised control or direction over less than 1% of the outstanding Fission Shares, or (B)(x) the related party discloses to an independent committee of Fission the amount of consideration that the related party expects it will be beneficially entitled to receive, under the terms of the Arrangement, in exchange for the Fission Shares beneficially owned by the related party, (y) the independent committee, acting in good faith, determines that the value of the benefit, net of any offsetting costs to the related party, is less than 5% of the value referred to in (x), and (z) the independent committee's determination is disclosed in this Circular.

If a related party receives a collateral benefit in connection with the Arrangement, the Arrangement Resolution will also require minority approval in accordance with MI 61-101. If minority approval is required, the Arrangement Resolution must also be approved by a majority of the votes cast, excluding those votes beneficially owned, or over which control or direction is exercised, by the related parties of Fission who receive a collateral benefit in connection with the Arrangement.

Certain of the directors and senior officers of the Company hold Fission Options. If the Arrangement is completed, all Fission Options will automatically and unconditionally vest at the Effective Time. In addition, employment agreements with certain senior officers of Fission provide that, if that senior officer's employment is terminated within a specified period of time in connection with a "change of control" of the Company, the senior officer would be entitled to receive compensation. See "*The Arrangement — Interests of Certain Persons in the Arrangement*". The accelerated vesting of Fission Options and the compensation payable pursuant to certain employment and service agreements may be considered to be collateral benefits received by the applicable directors and senior Officers of the Company for the purposes of MI 61-101. See "*The Arrangement — Plan of Arrangement*" and "*The Arrangement — Interests of Certain Persons in the Arrangement — Employment Agreements and Compensation Bonus*" in this Circular.

Each of Ross McElroy, Gary Haywood, Kanan Sarioglu, Chris Sammartino, Jeff Pryznyk and Bob Hemmerling is a “related party” of Fission by virtue of his role as a senior officer of Fission, and each of Darian Yip, William V. Marsh, Frank Estergaard, Beatriz Orrantia, Rob Chang and Felix Wang, is a “related party” of Fission by virtue of his or her role as a director of Fission. Following disclosure by the senior officers and directors of Fission the number of Fission Shares and Fission Options held by the senior officers and directors of Fission, the total consideration that they are expected to receive pursuant to the Arrangement, the Special Committee has determined that, other than Ross McElroy, the senior officers and directors of Fission and their associated entities, each beneficially own, or exercise control or direction over, less than 1% of the outstanding Fission Shares (calculated in accordance with MI 61-101). Accordingly, such directors and senior officers will not be considered to have received a “collateral benefit” under MI 61-101.

In the case of Ross McElroy, the Special Committee has determined that (i) Mr. McElroy beneficially owns or exercises control or direction over more than 1% of the outstanding Fission Shares (calculated in accordance with MI 61-101, which assumes the exercise of all Fission Options held by Mr. McElroy) and (ii) the value of the benefit that Mr. McElroy will receive upon completion of the arrangement (consisting of a change of control payment under the McElroy Consultant Agreement in the amount of approximately \$1.8 million and the acceleration of 2,500,000 Fission Options owned by Mr. McElroy) is greater than 5% of the value of the consideration Mr. McElroy will receive in connection with the Arrangement in exchange for the Fission Shares beneficially owned by Mr. McElroy. Accordingly, the Special Committee has determined that the benefit Mr. McElroy will receive as a result of the completion of the Arrangement constitutes a collateral benefit under MI 61-101, and any Fission Shares and Fission Options beneficially owned, or over which control or direction is exercised, directly or indirectly, by Mr. McElroy must be excluded for purposes of determining whether minority approval of the Arrangement Resolution has been obtained. As of the Record Date, Mr. McElroy held, or exercised control or direction over, directly or indirectly, 4,184,348 Fission Shares and 7,700,000 Fission Options which will be excluded from the “minority approval” vote conducted pursuant to MI 61-101.

See “*The Arrangement — Interests of Certain Persons in the Arrangement*” in this Circular for detailed information regarding the benefits and other payments to be received by each of the directors and senior officers of Fission in connection with the Arrangement.

Effect and Details of the Arrangement

General

Pursuant to the Arrangement, all of the issued and outstanding Fission Shares (other than Dissent Shares) will be transferred to the Purchaser in exchange for the Share Consideration or Sale Facility Proceeds, as applicable.

Pursuant to the Arrangement, each Fission Option (whether vested or unvested) outstanding immediately prior to Effective Time on the Effective Date shall be deemed to be vested to the fullest extent and shall be, and shall be deemed to be, transferred and assigned by the holder to the Purchaser in exchange for a number of Paladin Shares per Fission Option equal to (A) the Exercise Price Differential in respect of such Fission Option divided by the Offer Price, multiplied by (B) the Exchange Ratio, with such Fission Option thereafter immediately being cancelled. The Option Plan, all Fission Option grant agreements and all documents or instruments evidencing Fission Options immediately prior to the Effective Time shall be terminated and shall be of no further force or effect. Following the Effective Time none of the Company, nor Paladin nor the Purchaser shall have any obligation under or liability to any person with respect to, the Option Plan, any Fission Option grant agreement or any documents or instruments evidencing Fission Options immediately prior to the Effective Time.

If the Arrangement Resolution is passed by the Required Securityholder Approval, the Final Order is obtained, the Regulatory Approvals are obtained, every other requirement of the CBCA relating to the Arrangement is complied with and all other conditions disclosed below under “*The Arrangement Agreement — Conditions to Closing*” are satisfied or waived, the Arrangement will become effective on the Effective Date.

On completion of the Arrangement, Fission will be a wholly-owned indirect subsidiary of Paladin.

As of the date of this Circular, none of Paladin or any of its subsidiaries own any Fission Shares.

Effects of the Arrangement on Shareholders' Rights

Fission Shareholders who receive the Share Consideration will become shareholders of Paladin. Paladin is a corporation incorporated under ACA. See Appendix J for a comparison of certain of these rights and obligations. This summary is not intended to be exhaustive and Fission Shareholders are encouraged to consult with their legal advisors for greater detail with respect to these differences.

Plan of Arrangement

The following summarizes the steps which will occur under the Plan of Arrangement on the Effective Date, if all conditions to the completion of the Arrangement have been satisfied or waived. The following description of steps is qualified in its entirety by reference to the full text of the Plan of Arrangement, attached as Appendix B to this Circular:

Commencing at the Effective Time, the following shall occur and shall be deemed to occur sequentially in the following order without any further act or formality:

- (a) Each Dissenting Share held by a Dissenting Shareholder shall be transferred to the Company (free and clear of any liens) for a debt claim against the Company (to be settled by the Company with its own available funds on hand and not funds directly or indirectly provided by Paladin, the Purchaser or any affiliate of Paladin) to be paid the aggregate fair value of those Dissent Shares as determined pursuant to Article 4 of the Plan of Arrangement, and:
 - (i) the name of the Dissenting Shareholder shall be removed from the register of the Fission Shares and such Dissenting Share shall be cancelled and cease to be outstanding;
 - (ii) such Dissenting Shareholder shall cease to be the holder of such Dissenting Share or to have any rights as a Fission Shareholder other than the right to be paid the fair value of those Dissent Shares as determined pursuant to Article 4 of the Plan of Arrangement; and
 - (iii) such Dissenting Shareholder shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign such Dissent Shares to the Company.
- (b) Each Fission Share that is outstanding immediately prior to the Effective Time (other than Fission Shares in respect of which Dissent Rights have been validly exercised and not withdrawn) shall be deemed to be, transferred and assigned by the holder thereof to the Purchaser (free and clear of any liens) in exchange for the Share Consideration or Sale Facility Proceeds, as applicable, and:
 - (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Fission Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of the Fission Shares;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Fission Share; and

- (iii) the Purchaser shall be, and shall be deemed to be, the transferee and legal and beneficial holder of each such Fission Share (free and clear of all liens) and shall be recorded as the registered holder of each such Fission Share in the register of the Fission Shares.
- (c) Each Fission Option (whether vested or unvested) outstanding immediately prior to Effective Time shall be deemed to be vested to the fullest extent and shall be, and shall be deemed to be, transferred and assigned by the holder to the Purchaser in exchange for the Option Consideration and such Fission Option shall thereafter immediately be cancelled, and:
 - (i) the Option Plan, all Fission Option grant agreements and all documents or instruments evidencing Fission Options immediately prior to the Effective Time shall be terminated and shall be of no further force or effect, and following the Effective Time none of the Company, nor Paladin nor the Purchaser shall have any obligation under or liability to any person with respect to, the Option Plan, any Fission Option grant agreement or any documents or instruments evidencing Fission Options immediately prior to the Effective Time other than the obligation to deliver the Option Consideration; and
 - (ii) the holder of such Fission Option immediately prior to the Effective Time shall:
 - A. cease to be the holder thereof and the name of such holder shall be removed from the register of the Fission Options;
 - B. be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to exchange such Fission Option for the Option Consideration; and
 - C. be, and shall be deemed to be, the transferee and the legal and beneficial holder of each Paladin Share comprising the Option Consideration and shall be recorded as the registered holder of each such Paladin Share in the register of the Paladin Shares.

Exchange of Fission Securities

Procedure for Exchange of Fission Shares

A letter of transmittal and election form providing for the delivery of Fission Shares to Computershare (the “**Letter of Transmittal**”) has been sent to Registered Fission Shareholders with this Circular. The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. Registered Fission Shareholders (other than the Dissenting Shareholders) can obtain additional copies of the Letter of Transmittal by contacting Computershare at Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 or by telephone at 1-800-564-6253 (toll-free in North America) or 1-514-982-7555 (outside North America), or by e-mail at corporateactions@computershare.com. The Letter of Transmittal is also available on the Company’s SEDAR+ profile at www.sedarplus.com. **Beneficial Shareholders must contact their Intermediary to deposit their Fission Shares.**

On the Effective Date, each Registered Fission Shareholder (other than a Dissenting Shareholder) who has surrendered to Computershare certificates(s) or DRS Advice(s) representing one or more outstanding Fission Shares and made a valid election in accordance with the provisions of the Plan of Arrangement and the instructions in the Letter of Transmittal will, be entitled to receive, and Computershare will deliver to such Fission Shareholder as soon as reasonably practicable following the Effective Time:

- (a) in the case of a Fission Shareholder who is not an Ineligible Shareholder, the Share Consideration that such Fission Shareholder is entitled to receive in accordance with the Plan of Arrangement; and

- (b) in the case of an Ineligible Shareholder, the portion of the Sale Facility Proceeds that such Ineligible Shareholder is entitled to receive in accordance with the Plan of Arrangement.

The Share Consideration or Sale Facility Proceeds, as applicable, will be registered in, or made payable to, such name or names as directed in the Letter of Transmittal and will be either (i) sent to the address or addresses as such Fission Shareholder directed in their Letter of Transmittal or (ii) made available for pick up at the offices of Computershare in accordance with the instructions of the such Fission Shareholder in the Letter of Transmittal.

If the Arrangement is not completed, the Letter of Transmittal will be of no effect and Computershare will return all certificates or DRS Advices representing the deposited Fission Shares to the holders thereof as soon as practicable at the address specified in the Letter of Transmittal.

Registered Fission Shareholders are encouraged to deliver a properly completed and duly executed Letter of Transmittal together with the relevant certificate(s) and DRS Advice(s) representing the deposited Fission Shares and any other required documents to Computershare as soon as possible.

None of Fission, Paladin, the Purchaser or Computershare are liable for failure to notify any Fission Shareholder who makes a deficient deposit with Computershare.

Paladin and the Purchaser, acting reasonably, reserve the right to instruct Computershare to waive or not to waive any and all defects or irregularities contained in any Letter of Transmittal or other document and any such waiver or non-waiver will be binding upon the affected Fission Securityholder. The granting of a waiver to one or more Fission Securityholders does not constitute a waiver for any other Fission Securityholders. Paladin and the Purchaser reserve the right to demand strict compliance with the terms of the Letter of Transmittal and the Arrangement. The method used to deliver the Letter of Transmittal and any accompanying certificate(s) or DRS Advice(s) representing the Fission Shares is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by Computershare. The Company recommends that such certificates and documents be delivered by hand to Computershare and a receipt therefore be obtained or that registered mail be used and appropriate insurance be obtained.

Computershare will receive reasonable and customary compensation from Paladin and the Purchaser for its services in connection with the Arrangement, will be reimbursed for certain out-of-pocket expenses and will be indemnified against certain liabilities, including liability under securities Laws and expenses in connection therewith.

DRS Advices

Where Fission Shares are evidenced only by a DRS Advice, there is no requirement to first obtain a certificate for those Fission Shares or deposit with Computershare any certificate evidencing the Fission Shares. Only a properly completed and duly executed Letter of Transmittal accompanied by the applicable DRS Advice(s) must be delivered to Computershare in order to surrender those Fission Shares under the Arrangement.

Lost Certificates or DRS Advices

In the event that any certificate which, immediately prior to the Effective Time, represented one or more outstanding Fission Shares that are ultimately entitled to the Share Consideration or Sale Facility Proceeds (as applicable) is lost, stolen or destroyed, upon the making of an affidavit or statutory declaration of that fact by the person claiming such certificate to be lost, stolen or destroyed and who was listed immediately prior to the Effective Time as the registered holder thereof on the securities registers maintained by or on behalf of Fission, Computershare will deliver in exchange for such lost, stolen or destroyed certificate, the Share Consideration or Sale Facility Proceeds (as applicable) that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, provided the holder to whom the Share Consideration or Sale Facility Proceeds (as applicable) is to be delivered shall, as a condition precedent to the delivery, give a bond satisfactory to Paladin,

the Purchaser and Computershare (acting reasonably) in such sum as Paladin, the Purchaser and Computershare may direct, or otherwise indemnify Paladin, the Purchaser and Computershare in a manner satisfactory to Paladin, the Purchaser and Computershare, acting reasonably, against any claim that may be made against Paladin, the Purchaser or Computershare with respect to the certificate alleged to have been lost, stolen or destroyed.

If a DRS Advice representing Fission Shares has been lost, stolen or destroyed, the holder can request a copy of the DRS Advice by contacting Computershare by phone: 1-800-564-6253 (toll-free in North America) or 1-514-982-7555 (outside North America) with no bond indemnity required and such copy of the DRS Advice should be deposited with the Letter of Transmittal.

Procedure for Exchange of Fission Options

Fission Optionholders are not required to complete and return the Letter of Transmittal, or any other documentation, in order to receive the Option Consideration. All Fission Options outstanding immediately prior to the Effective Time will be deemed to be vested to the fullest extent and transferred and assigned by the holder to the Purchaser in exchange for the Option Consideration. Computershare will receive an electronic listing of Fission Optionholders, which includes applicable registration details, and allocate the Option Consideration to Fission Optionholders through a cashless exercise, as soon as reasonably practicable following the Effective Time.

Ineligible Shareholders and the Sale Facility

Ineligible Shareholders will not receive Paladin Shares under the Plan of Arrangement. An “Ineligible Shareholder” is a Fission Shareholder who is, or appears to Paladin and the Purchaser to be, a resident of a jurisdiction (other than Canada, the United States, the United Kingdom or China) in which the issuance and/or delivery of the Paladin Shares pursuant to the Arrangement to such Fission Shareholder would be contrary to applicable Law or otherwise subject to any prospectus, registration, disclosure, regulatory filing of other similar requirement under applicable Law. For greater certainty, no Fission Shareholder who is, or appears to Paladin and the Purchaser to be, a resident of Canada, the United States, the United Kingdom or China, is an Ineligible Shareholder.

Ineligible Shareholders are not being offered Paladin Shares and will not be issued Paladin Shares upon the completion of the Arrangement. Instead the Paladin Shares which would otherwise have been issued to the Ineligible Shareholder based on the Exchange Ratio (the “**Sale Shares**”) will be sold by the Sale Agent in accordance with the terms of the Sale Facility.

The Sale Agent will be responsible for selling the Sale Shares in accordance with the terms of the Sale Facility. In particular, the Sale Agent will sell the Sale Shares in the normal course of trading on the TSX or ASX (as the Sale Agent may determine in its sole discretion) in the manner, on the terms, and at such prices as the Sale Agent determines to be appropriate in the circumstances for the benefit, and at the risk of, the Ineligible Shareholder. Sale on the TSX is subject to the listing of Paladin Shares on the TSX, which is subject to TSX approval. None of Paladin, the Purchaser, Fission, the Sale Agent, Computershare or any other Fission Shareholder will be liable for any loss arising out of or in connection with the sale of the Sale Shares pursuant to the Sale Facility.

Each Ineligible Shareholder who has properly completed and delivered a Letter of Transmittal to Computershare, along with the certificate(s) or DRS Advice(s) representing their Fission Shares, will receive the Sale Facility Proceeds to which such Ineligible Shareholder is entitled under the Plan of Arrangement after the Effective Date. As soon as is reasonably practicable following the sale of the Sale Shares pursuant to the Sale Facility, Computershare will deliver the applicable Sale Facility Proceeds to each Ineligible Shareholder that has properly completed and delivered a Letter of Transmittal to Computershare, along with the certificate(s) or DRS Advice(s) representing their Fission Shares, on a pro rata basis. The amount of the Sale Facility Proceeds received by each such Ineligible Shareholder will be calculated based on the number of Sale Shares attributable to such Ineligible Shareholder under the Plan of Arrangement relative to the total number of Sale Shares sold pursuant to the Sale Facility at the relevant time. The payment of the Sale Facility Proceeds will satisfy in full the rights of the Ineligible Shareholders under the Plan of Arrangement.

Securityholder Approval of the Arrangement

At the Meeting, pursuant to the Interim Order, Fission Securityholders will be asked to approve the Arrangement Resolution. The complete text of the Arrangement Resolution to be presented to the Meeting is set forth in Appendix A to this Circular. Each Securityholder as at the Record Date will be entitled to vote on the Arrangement Resolution. The Arrangement Resolution requires approval of at least (i) two thirds of the votes cast on the Arrangement Resolution by Fission Shareholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class on the basis of one vote per Fission Share held; (ii) two thirds of the votes cast on the Arrangement Resolution by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting voting together as a single class on the basis of one vote per Fission Share or Fission Option held; and (iii) a simple majority of votes attached to Fission Securities held by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting excluding those votes attached to Fission Securities held or controlled by persons described in items (a) through (d) of Section 8.1(2) of MI 61-101, voting together as a single class on the basis of one vote per Fission Share or Fission Option held.

The Arrangement Resolution must receive the Required Securityholder Approval in order for the Company to seek the Final Order and implement the Arrangement on the Effective Date in accordance with the terms of the Final Order.

Court Approval of the Arrangement

Interim Order

The Arrangement requires approval by the Court under Section 192 of the CBCA. Prior to the mailing of this Circular, the Company obtained the Interim Order attached as Appendix C to this Circular, authorizing and directing the Company to call, hold and conduct the Meeting, submit the Arrangement to Fission Securityholders for approval, and other procedural matters, including, but not limited to: (a) the Required Securityholder Approval; (b) the Dissent Rights for Registered Fission Shareholders; (c) the notice requirements with respect to the Court hearing of the application for the Final Order; (d) the ability of the Company to adjourn or postpone the Meeting from time to time in accordance with the terms of the Arrangement Agreement without the need for additional approval of the Court; and (e) the Record Date for the Fission Securityholders entitled to notice of and to vote at the Meeting.

Final Order

Subject to the terms of the Arrangement Agreement, following the approval of the Arrangement Resolution by Fission Securityholders and upon obtaining the Interim Order, the Company intends to make an application to the Court for the Final Order pursuant to Section 192 of the CBCA. The application for the Final Order is expected to take place on August 29, 2024 at the courthouse at 800 Smithe Street, Vancouver, British Columbia at 9:45 a.m. (Pacific time) or as soon thereafter as counsel may be heard, or at any other date and time and by any other method as the Court may direct. Any Fission Shareholder, Fission Optionholder or other interested party who wishes to participate, appear, to be represented, and to present evidence or arguments at the hearing must file and serve a Response to Petition in the form prescribed by the *Supreme Court Civil Rules (British Columbia)* together with any evidence or materials that such party intends to present to the Court, on or before 4:00 p.m. (Pacific time) on August 27, 2024. Service of such notice shall be effected by service upon the solicitors of the Company: Blake, Cassels & Graydon LLP, Suite 3500 – 1133 Melville Street, Vancouver, British Columbia, V6E 4E5, Attention: Alexandra Luchenko. In the event that the hearing is postponed, adjourned or rescheduled then, subject to further direction of the Court, only those persons having previously served a Response to Petition in compliance with the Interim Order will be given notice of the new date, all as set out in the Interim Order and the Notice of Hearing of Petition, copies of which are attached as Appendices C and D to this Circular, respectively. Participation in the Court hearing of the application for the Final Order, including who may participate and present evidence or argument and the procedure for doing so, is subject to the terms of the Interim Order and any subsequent direction of the Court.

The Court has broad discretion under the CBCA when making orders with respect to plans of arrangement and the Court will consider at the hearing to obtain the Final Order, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. Depending upon the nature of any amendments to the Plan of Arrangement required by the Court, the Parties may determine not to proceed with the Arrangement.

The Court has been advised prior to the hearing of the application for the Final Order that the Final Order, if granted, will constitute the basis for an exemption from the registration requirements of the U.S. Securities Act, pursuant to Section 3(a)(10) thereof with respect to the issuance of the Paladin Shares to be issued to Fission Shareholders and Fission Optionholders pursuant to the Arrangement. Consequently, if the Final Order is granted, the issuance of the Paladin Shares to Fission Shareholders and Fission Optionholders pursuant to the Arrangement will not require registration under the U.S. Securities Act. See *“The Arrangement – Securities Law Matters – United States Securities Law Matters”*.

For further information regarding the Court hearing and your rights in connection with the Court hearing, see the form of the Notice of Hearing of Petition attached as Appendix D and the Interim Order attached as Appendix C to this Circular. The Notice of Hearing of Petition constitutes notice of the Court hearing of the application for the Final Order and is your only notice of the Court hearing.

Dissent Rights

Registered Fission Shareholders as of the Record Date who wish to dissent should take note that they must strictly comply with the procedures set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and Plan of Arrangement.

The following is a summary of the provisions of the CBCA relating to a Registered Fission Shareholder’s Dissent Rights in respect of the Arrangement Resolution. It is not a comprehensive statement of such rights and procedures and is qualified in its entirety by the reference to the full text of Section 190 of the CBCA (which is attached as Appendix I to this Circular), as modified by the Plan of Arrangement, the Interim Order (which are attached as Appendix B and Appendix C to this Circular, respectively) and any other order of the Court. The Court hearing the application for the Final Order has the discretion to alter the Dissent Rights described herein based on the evidence presented at such hearing.

The statutory provisions dealing with the right of dissent are technical and complex. Any Registered Fission Shareholder who intends to exercise Dissent Rights must carefully consider and comply with the provisions of Section 190 of the CBCA, as modified by the Plan of Arrangement, the Interim Order and any other order of the Court and seek legal advice. Failure to comply strictly with the provisions of Section 190 of the CBCA, as modified by the Plan of Arrangement, Interim Order and any other order of the Court, and to adhere to the procedures established therein, may result in the loss of all rights thereunder.

Pursuant to the Interim Order, each Registered Fission Shareholder as of the Record Date may exercise Dissent Rights in respect of the Arrangement under Section 190 of the CBCA, as modified by the Plan of Arrangement, the Interim Order and any other order of the Court. Registered Fission Shareholders who duly and validly exercise such Dissent Rights and who:

- are ultimately entitled to be paid fair value for their Dissent Shares will be deemed to have transferred their Dissent Shares to Fission as of the Effective Time, which fair value of such Dissent Shares shall be determined as of the close of business on the day before the Arrangement Resolution was adopted by the Meeting, without any further act or formality and free and clear of all liens, and shall be paid an amount equal to such fair value; or
- for any reason are ultimately not entitled to be paid fair value for their Dissent Shares, will be deemed to have participated in the Arrangement on the same basis as a non-dissenting Fission Shareholder and will receive the Share Consideration on the same basis as every other non-dissenting Fission Shareholder.

But in no case will Fission, Paladin, the Purchaser, Computershare or any other person be required to recognize such persons as holding Fission Shares on or after the Effective Date, and the names of such Dissenting Shareholders will be deleted from the register of Fission as of the Effective Time. Further, in no circumstance will Fission, Paladin, the Purchaser or any other person be required to recognize a person exercising Dissent Rights unless such person is a registered holder of those Fission Shares in respect of which such rights are sought to be exercised. For greater certainty, no Fission Shareholders who vote, or who have instructed a proxyholder to vote, in favour of the Arrangement Resolution, Fission Optionholders, and any other person who is not a registered holder of Fission Shares as of the Record Date of the Meeting, will be entitled to exercise Dissent Rights.

Persons who are Beneficial Fission Shareholders who wish to dissent with respect to their Fission Shares should be aware that only Registered Fission Shareholders are entitled to dissent with respect to them. A Registered Fission Shareholder such as an Intermediary who holds Fission Shares as nominee for Beneficial Fission Shareholders, some of whom wish to dissent, must exercise Dissent Rights on behalf of such Beneficial Fission Shareholders with respect to the Fission Shares held for such Beneficial Fission Shareholders. In such case, the written objection to the Arrangement Resolution (described below) should set forth the number of Fission Shares it covers.

Every Registered Fission Shareholder who duly and validly dissents from the Arrangement in strict compliance with the procedures set forth in Section 190 of the CBCA, as modified by the Interim Order, the Plan of Arrangement and any other order of the Court will be entitled to be paid by Fission the fair value of the Fission Shares held by such Dissenting Shareholder determined as of the close of business on the day before the passing of the Arrangement Resolution at the Meeting.

To exercise Dissent Rights, a Registered Fission Shareholder must dissent with respect to all Fission Shares in which the holder owns either a registered or beneficial interest. A Registered Fission Shareholder who wishes to dissent must deliver a written objection to the Arrangement Resolution (an “**Objection**”) to Fission Uranium Corp., c/o Blake, Cassels & Graydon LLP, Suite 3500 – 1133 Melville Street, Vancouver, BC, V6E 4E5 Attention: Alexandra Luchenko no later than 5:00 p.m. (Pacific time) on August 22, 2024, or two business days prior to the date of any postponed or adjourned Meeting, and such Objection must strictly comply with the requirements of Section 190(5) of the CBCA. Any failure by a Fission Shareholder to fully comply may result in the loss of that holder’s Dissent Rights. Beneficial Fission Shareholders who wish to exercise Dissent Rights must arrange for the Registered Fission Shareholder holding their Fission Shares to deliver the Objection.

The delivery of an Objection does not deprive a Dissenting Shareholder of the right to vote at the Meeting on the Arrangement Resolution; however, a Dissenting Shareholder is not entitled to exercise the Dissent Rights with respect to any of his or her Fission Shares if the Dissenting Shareholder votes in favour of the Arrangement Resolution. A vote against the Arrangement Resolution, whether in person or by proxy, does not constitute an Objection.

It is a condition to Paladin and the Purchaser’s obligation to complete the Arrangement that persons holding no more than 5% of the issued and outstanding Fission Shares shall have validly exercised Dissent Rights (and not withdrawn such exercise). Each of the Supporting Fission Securityholders has agreed to waive his or her Dissent Rights as a holder of Fission Shares.

If the Arrangement Resolution receives the Required Securityholder Approval, Fission must notify Dissenting Shareholders of its intention to act upon the Arrangement Resolution, if applicable, within 10 days of the adoption of such Arrangement Resolution. Each Dissenting Shareholder receiving such notice and wishing to proceed with the dissent, is required, within 20 days of receiving such notice, to send to Fission (i) such Dissenting Shareholder’s name and address; (ii) the number and class of Fission Shares in respect of which such Dissenting Shareholder is purporting to exercise Dissent Rights (the “**Objection Shares**”); and (iii) a demand for payment of the fair value of such Objection Shares. Additionally, within 30 days after sending a demand for payment, such Dissenting Shareholder must send the certificates (if any) representing the Objection Shares to Computershare or Fission, in accordance with Subsection 190(8) of the CBCA. A Dissenting Shareholder who fails to do so will have no right to make a claim under Section 190 of the CBCA. Such Dissenting Shareholder may not vote or exercise or assert any rights of a Fission Shareholder in respect of such Objection Shares, other than the rights set forth in Section 190 of the CBCA, as modified by the Plan of Arrangement, the Interim Order and any other order of the Court.

The Dissenting Shareholder and Fission may agree on the payout value of the Objection Shares; otherwise, either party may apply to the Court to determine the fair value of the Objection Shares. There is no obligation on Fission, Paladin or the Purchaser to make an application to the Court. After a determination of the payout value of the Objection Shares, Paladin and the Purchaser must then promptly pay that amount to the Dissenting Shareholder. There can be no assurance that the amount a Dissenting Shareholder may receive as fair value for its Fission Shares will be more than or equal to the Share Consideration under the Arrangement. It should be noted that an investment banking opinion as to the fairness, from a financial point of view, of the consideration payable in a transaction such as the Arrangement is not an opinion as to fair value under the CBCA.

In no circumstances will Fission, Paladin, the Purchaser, Computershare or any other person be required to recognize a person as a Dissenting Shareholder unless such person is the holder of the Fission Shares in respect of which Dissent Rights are purported to be exercised immediately prior to the Effective Time of the Arrangement; (i) if such person has voted or instructed a proxyholder to vote the Objection Shares in favour of the Arrangement Resolution; and (ii) unless such person has strictly complied with the procedures for exercising Dissent Rights set out in Section 190 of the CBCA, as modified by the Plan of Arrangement, Interim Order and Final Order, and does not withdraw such person's Objection prior to the effective time of the Arrangement.

Dissent Rights with respect to Objection Shares will terminate and cease to apply to the Dissenting Shareholders if, before full payment is made for the Objection Shares, the Arrangement in respect of which the Objection was sent is abandoned or by its terms will not proceed, a court permanently enjoins or sets aside the corporate action approved by the Arrangement Resolution, the Dissenting Shareholder votes in favour of the Arrangement Resolution, or the Dissenting Shareholder withdraws the Objection with Fission's written consent. If any of these events occur, Fission must return the share certificates representing the Fission Shares to the Dissenting Shareholder and the Dissenting Shareholder regains the ability to vote and exercise its rights as a Fission Shareholder.

If a Dissenting Shareholder fails to strictly comply with the requirements of the Dissent Rights set out in Section 190 of the CBCA, as modified by the Plan of Arrangement, Interim Order and Final Order, it will lose its Dissent Rights, Fission will return to the Dissenting Shareholder the certificates representing the Objection Shares that were delivered to Fission, if any, and if the Arrangement is completed, that Dissenting Shareholder will be deemed to have participated in the Arrangement on the same terms as a Fission Shareholder.

The discussion above is only a summary of the Dissent Rights, which are technical and complex. A Registered Fission Shareholder as of the Record Date who intends to exercise Dissent Rights should carefully consider and comply with the provisions of Section 190 of the CBCA, as modified by the Plan of Arrangement, Interim Order and Final Order. Persons who are beneficial holders of Fission Shares registered in the name of an Intermediary such as a broker, custodian, nominee, other Intermediary, or in some other name, who wish to dissent should be aware that only the registered owner of such Fission Shares as of the Record Date is entitled to dissent.

Fission suggests that any Fission Shareholder wishing to avail themselves of the Dissent Rights seek their own legal advice as failure to comply strictly with the applicable provisions of the CBCA, as modified by the Plan of Arrangement, Interim Order and any other order of the Court may result in the loss of all Dissent Rights. Dissenting Shareholders should note that the exercise of Dissent Rights can be a complex, time-consuming and expensive process.

For a general summary of certain income tax implications to a Dissenting Shareholder, see "*Certain Canadian Federal Income Tax Considerations*".

Stock Exchange Delisting and Reporting Issuer Status

The Fission Shares will be delisted from the TSX, the OTCQX and the Frankfurt Stock Exchange as soon as practicable following the completion of the Arrangement. Following the Effective Date, it is expected that Paladin will cause the Company to apply

to cease to be a reporting issuer under the securities legislation of each of the provinces and territories in Canada under which it is currently a reporting issuer.

Regulatory Approvals

Competition Approval

Part IX of the Competition Act requires that the parties to a Notifiable Transaction notify the Commissioner of the proposed transaction and provide the information prescribed by Subsection 114(1) of the Competition Act (the “**Notification**”). Subject to certain limited exceptions, the parties to a Notifiable Transaction cannot complete the proposed transaction until (a) the applicable waiting period under Section 123 of the Competition Act has expired or has been terminated by the Commissioner, (b) the Commissioner has issued an Advance Ruling Certificate, or (c) the Commissioner has waived the Notification pursuant to Subsection 113(c) of the Competition Act. The waiting period is 30 calendar days after the day on which the Commissioner received the Notification, provided that, before the expiry of this period, the Commissioner has not notified the parties that he requires additional information that is relevant to the Commissioner’s assessment of the transaction pursuant to Subsection 114(2) of the Competition Act (a “**Supplementary Information Request**”). In the event that the Commissioner issues a Supplementary Information Request to the parties, the parties cannot complete their transaction until 30 calendar days after substantial compliance with such Supplementary Information Request, provided that there is no order in effect prohibiting completion at the relevant time. A proposed transaction may be completed before the end of the applicable waiting period if the Commissioner notifies the parties that he does not, at such time, intend to challenge the transaction by making an application under Section 92 of the Competition Act and thereby waives the applicable waiting period.

The Commissioner may, upon application by a party to a proposed transaction, issue an Advance Ruling Certificate where he is satisfied that he would not have sufficient grounds on which to apply to the Competition Tribunal for an order under Section 92 of the Competition Act. Where the Commissioner declines to issue an Advance Ruling Certificate, he may instead issue a No-Action Letter, which may be issued by the Commissioner in respect of a proposed transaction confirming that he does not, at that time, intend to make an application under Section 92 of the Competition Act.

At any time before a “merger” (as such term is defined under the Competition Act) is completed, even where the Commissioner has received a Notification and the applicable waiting period has expired (but provided no application has been made under Section 92 of the Competition Act), the Commissioner may apply to the Competition Tribunal for an interim order under Subsection 100(1) of the Competition Act prohibiting any person named in the application from doing any act or thing where it appears to the Competition Tribunal that such act or thing may constitute or be directed toward the completion or implementation of a proposed merger. The Competition Tribunal may issue such order for up to 30 calendar days where (a) the Commissioner has certified that an inquiry is being made under paragraph 10(1) (b) of the Competition Act and that, in his opinion, more time is required to complete the inquiry, and (b) the Competition Tribunal finds that, in the absence of an interim order, a party to the proposed merger or any other person is likely to take an action that would substantially impair the ability of the Competition Tribunal to remedy the effect of the proposed merger on competition under Section 92 of the Competition Act because that action would be difficult to reverse. The duration of such interim order may be extended for an additional period of up to 30 calendar days where the Competition Tribunal finds, on application made by the Commissioner, that the Commissioner is unable to complete the inquiry within the period specified in the order because of circumstances beyond the control of the Commissioner.

Regardless of whether or not a merger is subject to notification under Part IX of the Competition Act, the Commissioner can apply to the Competition Tribunal for a remedial order under Section 92 of the Competition Act at any time before the merger has been completed or, if completed, within one year after it was substantially completed where the merger was notified to the Commissioner (or within three years where no notification was made to the Commissioner), provided that the Commissioner did not issue an ARC in respect of the merger, or, if the Commissioner did issue an ARC in respect of the merger, provided that (a) the merger was completed more than one year from when the ARC was issued or (b) the merger was completed within one year from when the ARC was issued and the grounds upon which the Commissioner intends to apply to

the Competition Tribunal for a remedial order are not the same or substantially the same as the information on the basis of which the ARC was issued. Where the Commissioner has made an application under Section 92 of the Competition Act, the Commissioner may also seek any interim order that the Competition Tribunal considers appropriate, having regard to the principles ordinarily considered by superior courts when granting interlocutory or injunctive relief, under Section 104(1) of the Competition Act.

On application by the Commissioner under Section 92 of the Competition Act, the Competition Tribunal may, where it finds that the merger prevents or lessens, or is likely to prevent or lessen, competition substantially, order that the parties to the merger may not proceed with all or with some part of the merger (and in addition to, or in lieu of such a partial order, may also make an order prohibiting the person against whom the order is being made from doing any act or thing the prohibition of which is deemed to be necessary to ensure that the merger or part thereof that is completed does not prevent or lessen competition substantially), or, if the merger has already been completed, order its dissolution or the disposition of some of the assets or shares involved in such merger; in addition to, or in lieu thereof, any such order, with the consent of the person against whom the order is directed and the Commissioner, the Competition Tribunal can order a person to take any other action. The Competition Tribunal cannot, however, issue a remedial order where it finds that the merger or proposed merger has brought or is likely to bring about gains in efficiency that will be greater than, and will offset, the effects of any prevention or lessening of competition that will result or is likely to result from the merger and that the gains in efficiency would not likely be attained if the order were made (as set out in Section 96 of the Competition Act).

The transactions contemplated by the Arrangement are a Notifiable Transaction and also constitute a “merger” for the purposes of the Competition Act. The requisite filings under the Competition Act were made by the parties on June 28, 2024. The Commissioner issued an Advance Ruling Certificate with respect to the Arrangement on July 12, 2024.

Investment Canada Act

Under the Investment Canada Act, the direct “acquisition of control” of a Canadian business by a non-Canadian that exceeds the prescribed financial threshold (a “**Reviewable Transaction**”) is subject to pre-closing review and cannot be implemented until certain conditions are met. The transactions contemplated by the Arrangement Agreement do not constitute a Reviewable Transaction under the Investment Canada Act. An acquisition of control of a Canadian business that is not a Reviewable Transaction is subject to a notice requirement (“**Notice**”) under the Investment Canada Act, which notice can be made to the Director or Investments either before or within 30 days after closing.

In addition, under Part IV.1 of the Investment Canada Act, certain investments by non-Canadians, including but not limited to transactions in respect of which a Notice is required to be filed, can be subject to separate review on grounds that the investment could be injurious to national security. Where a non-Canadian investor has filed a Notice, the Minister has 45 days to issue a notice (a “**National Security Notice**”) that the investment may or will be subject to a national security review (a “**National Security Review**”). If an investment has not been implemented, an investor that received a National Security Notice cannot implement the investment. Where the investor has received a National Security Notice, the Minister has an additional 45 days following a National Security Notice to determine whether to recommend that an order for a National Security Review be made. Where a National Security Review has been ordered, the Minister has 45 days, which period can be extended for an additional 45 days, to determine (i) that the investment would not be injurious to national security, in which case the National Security Review is terminated, or (ii) that (a) it would be injurious to national security, or (b) that the Minister is unable to determine whether the investment would be injurious to national security, in which case ((a) or (b)) the Minister must refer the investment to the Governor in Council for a final determination. The Governor in Council then has 20 days to decide whether to authorize the investment, which can be on the basis of terms and conditions set by the Governor in Council or undertakings provided by the investor or, in the case of an investment that has not been completed, to prohibit its completion.

While the above timeframes can be extended with the consent of the investor (other than the 20 day period applicable to the Governor in Council’s determination), assuming no additional extensions, the entire period of a National Security Review from the initial filing by the investor until completion of the National Security Review can be as long as 200 days.

On March 24, 2021, the Government of Canada issued revised Guidelines on the National Security Review of Investments (the “**National Security Guidelines**”). Among other factors, the revised National Security Guidelines state that the Government will take into account the potential impact of a foreign investment on critical minerals and their supply chains, referring to the Government’s Critical Mineral List of minerals, which includes uranium.

Paladin filed its Notice on July 1, 2024, which has been certified as complete as of July 2, 2024. Completion of the Arrangement is conditional on obtaining ICA Approval, which means that: (i) Paladin has not been notified within the prescribed period described above that the Arrangement may be subject to a National Security Review; or (ii) if Paladin receives notice that the Arrangement may or will be subject to a National Security Review, Paladin has subsequently received approval from the Minister or the Governor in Council, as the case may be, that Paladin and the Company are authorized to proceed with the Arrangement.

ASX Listing Rule 7.1 Waiver

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of equity securities that Paladin can issue without shareholder approval over any twelve (12) month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. Various issues of equity securities are excluded for the purposes of Listing Rule 7.1, including shares issued as consideration under an Australian scheme of arrangement (a mechanism similar in effect to a plan of arrangement). The exclusion does not usually extend to shares issued as consideration under non-Australian arrangements, such as the Plan of Arrangement. However, Paladin has obtained a waiver of Listing Rule 7.1 from ASX so that the Paladin Shares issued as consideration under the Plan of Arrangement will be regarded as falling within this exception. The effect of the waiver is that Paladin’s share issue capacity will not be eroded as a result of the Plan of Arrangement (and the Paladin Shares issued as consideration under the Plan of Arrangement will, in fact, count towards the base number of Paladin Shares on issue against which the 15% issue limit is calculated).

Other Regulatory Approvals

Exchange Approval

Paladin Shares are currently listed for trading on the ASX, OTCQX, NSX, Munich Stock Exchange, Berlin Stock Exchange, Stuttgart Stock Exchange and Frankfurt Stock Exchange. It is anticipated that, after the completion of the Arrangement, Paladin Shares will continue to trade on such stock exchanges.

It is a condition of the Arrangement that the ASX shall have approved for listing the Paladin Shares to be issued pursuant to the Arrangement. Paladin has filed an application with the ASX for the listing of the Paladin Shares issued pursuant to the Arrangement. Paladin has also applied to the TSX to list the Paladin Shares on the TSX, subject to satisfaction of certain listing conditions and receipt of TSX approval, following completion of the Arrangement.

The Fission Shares currently trade on the TSX, OTCQX and Frankfurt Stock Exchange. After completion of the Arrangement, Fission will be a wholly-owned subsidiary of Paladin and it is expected that the Fission Shares will be delisted from the TSX, OTCQX and Frankfurt Stock Exchange. See “*The Arrangement – Stock Exchange Delisting and Reporting Issuer Status*”.

Securities Law Matters

Canadian Securities Law Matters

Fission Securityholders are urged to consult with their professional advisors to determine the conditions and restrictions applicable under Canadian Securities Laws to trades in their Paladin Shares.

Fission is a reporting issuer in each of the provinces and territories in Canada. Paladin expects to apply to the applicable Canadian securities regulators to have Fission cease to be a reporting issuer following the completion of the Arrangement. See “*The Arrangement – Stock Exchange Delisting and Reporting Issuer Status*”. Paladin is currently a reporting issuer in Ontario and the Combined Company is expected to continue its reporting issuer status in Ontario upon completion of the Arrangement.

Pursuant to National Instrument 71-102 - *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*, provided that not more than 50% of the Combined Company’s outstanding voting securities carrying votes for the election of directors are owned directly or indirectly by residents of Canada, the Combined Company will be exempt from Canadian statutory and financial and certain other continuous and timely reporting requirements, provided that the Combined Company complies with the requirements of Australian securities laws and ASX market requirements in respect of all financial and other continuous and timely reporting matters and files with the relevant Canadian securities regulatory authorities copies of its documents filed under Australian securities laws.

The issue of Paladin Shares pursuant to the Arrangement will constitute distributions of securities which are exempt from the prospectus requirements of Canadian Securities Laws and, subject to the satisfaction of certain conditions, will not be subject to resale restrictions. Recipients of Paladin Shares are urged to obtain legal advice to ensure that the resale of such securities complies with applicable Canadian Securities Laws.

Australian Securities Law Matters

The rights of Fission Shareholders are currently governed by the CBCA and by Fission’s constituting documents. Since Paladin is an Australian company, the rights of holders of Paladin Shares are governed by Paladin’s constitution, Australian law and in certain respects, the official listing rules of the ASX, as varied, waived or modified from time to time (the “**ASX Listing Rules**”). Although the rights and privileges of shareholders under the CBCA are in many instances comparable to those under Australian law and the constitution of Paladin, there are several differences. See Appendix J to this Circular for a comparison of certain of these rights. Such comparison is a summary only and is not exhaustive, and may not address all the differences between the CBCA and those laws and rules applying to holders of Paladin Shares that you may find relevant. Fission Shareholders should consult their legal advisors regarding all of the implications of the effects of the Arrangement on such Fission Shareholders’ rights.

United States Securities Law Matters

The following discussion is a general overview of certain requirements of U.S. federal and state securities laws applicable to Fission Shareholders and Fission Optionholders. All holders of such securities are urged to obtain legal advice to ensure that their resale of such securities complies with applicable U.S. Securities Laws.

The Paladin Shares to be issued pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act and will be issued in reliance on the exemption afforded by Section 3(a)(10) of the U.S. Securities Act and similar exemptions under applicable U.S. state securities laws. Section 3(a)(10) of the U.S. Securities Act exempts from registration the offer and sale of a security which is issued in specified exchange transactions where, among other things, the fairness of the terms and conditions of such exchange are approved by a court or authorized governmental entity after a hearing on the fairness of such terms and conditions, at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or governmental authority expressly authorized by law to grant such approval and to hold such a hearing. Accordingly, the Final Order, if granted by the Court, constitutes a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the Paladin Shares issued in connection with the Arrangement.

The Paladin Shares to be issued under the Arrangement will not be subject to resale restrictions under the U.S. Securities Act, except that the U.S. Securities Act imposes restrictions on the resale of Paladin Shares received pursuant to the Arrangement by persons who are at the time of a resale, or who were within 90 days prior to the Effective Date, or upon the Effective Date became, “affiliates” (as defined in Rule 144(a)(1) under the U.S. Securities Act) of Paladin. As defined in Rule 144(a)(1) under

the U.S. Securities Act, an “affiliate” of an issuer is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer. Persons who are officers, directors or 10% or greater shareholders of an issuer are generally considered to be its “affiliates”.

Affiliates – Rule 144

Fission Securityholders who are affiliates (or, if applicable, former affiliates) of Paladin may not be able to resell the Paladin Shares that they receive pursuant to the Arrangement in the absence of registration under the U.S. Securities Act or reliance upon an exemption therefrom. In general, persons who are at the time of a resale, or who were within 90 days prior to the Effective Date, or upon the Effective Date became, affiliates of Paladin will be entitled to sell pursuant to Rule 144 under the U.S. Securities Act, during any three-month period, those Paladin Shares that they receive pursuant to the Arrangement, provided that the number of such securities sold does not exceed the greater of one percent of the then outstanding securities of such class or the average weekly trading volume of Paladin Shares on a United States securities exchange and/or reported through the automated quotation system of a U.S. registered securities association during the four calendar week period preceding the date of the sale, subject to specified restrictions on manner of sale requirements, aggregation rules, notice filing requirements and the availability of current public information about the issuer.

Subject to certain limitations, such affiliates (and former affiliates) may immediately resell such Paladin Shares outside the United States, including through sales on the ASX in the case of Paladin Shares, without registration under the U.S. Securities Act pursuant to and in accordance with Regulation S under the U.S. Securities Act.

Any holder of Paladin Shares who is an affiliate (or, if applicable, former affiliate) of Paladin at the time of a proposed resale is urged to consult with its own legal advisor to ensure that any proposed resale of Paladin Shares issued to them pursuant to the Arrangement complies with applicable U.S. Securities Act requirements.

THE ARRANGEMENT AGREEMENT

The Arrangement will be carried out pursuant to the Arrangement Agreement and the Plan of Arrangement. The following is a summary of the principal terms of the Arrangement Agreement and does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, which is incorporated by reference herein and has been filed on Fission’s SEDAR+ profile at www.sedarplus.com, and to the Plan of Arrangement, which is attached as Appendix B to this Circular. Capitalized terms used but not otherwise defined herein have the meanings set out in the Arrangement Agreement and the Plan of Arrangement.

Representations and Warranties

Representations and Warranties of Fission

The Arrangement Agreement contains certain customary representations and warranties provided by Fission in favour of the Purchaser and Paladin relating to: (a) due incorporation, existence, and authority to own its assets and carry on its business; (b) corporate power and authority to enter into the Arrangement Agreement and perform its obligations thereunder; (c) the consents and other approvals required to enter into the Arrangement Agreement and perform its obligations thereunder; (d) the execution and delivery of the Arrangement Agreement, and the performance by Fission of its obligations thereunder not resulting in a breach, violation, or default under Fission’s constating documents, applicable Laws or material contracts or permits; (e) capitalization; (f) ownership of its subsidiaries; (g) the absence of any shareholder and similar agreements; (h) reporting issuer status and compliance with applicable Canadian Securities Laws and TSX requirements; (i) Fission’s financial statements, internal controls and financial reporting; (j) the absence of any undisclosed liabilities; (k) the independence of Fission’s auditors; (l) the absence of certain changes in the business of Fission and its subsidiaries; (m) the absence of any long term and derivative transactions; (n) compliance with applicable Laws; (o) possession of and compliance with permits necessary to conduct its businesses; (p) the absence of undisclosed litigation; (q) the absence of any restrictions on conduct of business;

(r) the absence of any insolvency or related proceedings; (s) Fission having paid, performed or provided for all operational obligations; (t) the ownership and good standing of Fission's properties and mineral rights; (u) the technical report in respect of PLS; (v) the absence of indigenous claims; (w) relationships with NGOs and community groups; (x) no expropriation; (y) tax related matters; (z) the performance of obligations under Fission's material contracts; (aa) employment matters; (bb) a list of employees and contractors of Fission; (cc) immigration matters; (dd) the absence of health and safety claims or amounts owing; (ee) COVID-19; (ff) compliance with employment laws; (gg) employment accruals; (hh) acceleration of benefits as a result of the transaction contemplated by the Arrangement Agreement; (ii) a list of pension and employee benefits; (jj) the classification of independent contractors; (kk) the absence of intellectual property; (ll) environmental matters; (mm) Fission's insurance policies; (nn) the accuracy of the books and records of Fission and its subsidiaries; (oo) the absence of any non-arm's length transactions; (pp) financial advisors or brokers; (qq) the delivery of the Fairness Opinions; (rr) the approval of the Arrangement Agreement by the Special Committee and the Board; and (ss) the absence of any undisclosed collateral benefits.

Representations and Warranties of Paladin and the Purchaser

The Arrangement Agreement contains certain customary representations and warranties provided by Paladin and the Purchaser in favour of Fission relating to: (a) the due incorporation, existence, and authority of Paladin and the Purchaser to own its respective assets and carry on its respective business; (b) the corporate power and authority of Paladin and the Purchaser to enter into the Arrangement Agreement; (c) the approvals required to be obtained to complete the transactions contemplated by the Arrangement Agreement; (d) the absence of any shareholder approval being required in connection with the transactions contemplated by the Arrangement Agreement; (e) the execution and delivery of the Arrangement Agreement, and the performance by Paladin and the Purchaser of its obligations thereunder not resulting in a breach, violation, or default under their constating documents, applicable laws or material contracts or permit; (f) the capitalization of Paladin and the Purchaser; (g) reporting issuer status of Paladin and compliance with securities laws and Australian securities laws; (h) Paladin's financial statements; (i) the absence of any undisclosed liabilities; (j) absence of certain changes; (k) Paladin, the Purchaser and each of Paladin's subsidiaries being in compliance with laws; (l) Paladin and the Purchaser and each of Paladin's subsidiaries having obtained all permits required by applicable law to conduct the business; (m) absence of any material litigation; (n) absence of any restrictions on conduct of business; (o) absence of any insolvency or related proceedings; (p) Paladin having paid, performed or provided for all operational obligation; (q) the ownership and good standing of Paladin's properties and mineral rights; (r) compliance with applicable laws with respect to mineral resources and mineral reserves; (s) the absence of indigenous claims; (t) relationships with NGOs and community groups; (u) no expropriation; (v) the performance of obligations under Paladin's material contracts; (w) health and safety claims or amounts owing; (x) compliance with employment laws; (y) environmental matters; (z) absence of undisclosed non-arm's length transactions; (aa) tax related matters; (bb) the approval of the Arrangement Agreement by the directors of the Purchaser and Paladin; and (cc) Investment Canada Act classification.

Conditions to Closing

Mutual Conditions Precedent

The completion of the transactions contemplated by the Arrangement Agreement are subject to the fulfilment, on or before the Effective Time, of a number of conditions including the following mutual conditions precedent which may be waived, in whole or in part, with the mutual consent of the Parties:

- (a) the Required Securityholder Approval must be obtained in accordance with the Interim Order and applicable Laws;
- (b) the Interim Order and the Final Order must be obtained in accordance with the Arrangement Agreement;
- (c) the Key Regulatory Approvals must be obtained and remaining in full force and effect and must not be rescinded;

- (d) there must be no Laws enacted, issued, promulgated, enforced, made, entered, issued or applied and no proceedings taken under any Laws or by any Governmental Authority that make the Arrangement illegal or otherwise prohibit completion of the Arrangement;
- (e) the distribution of the Paladin Shares pursuant to the Arrangement must be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3 (a)(10) thereof; and
- (f) the Arrangement Agreement must not have been terminated.

Additional Conditions Precedent to the Obligations of Paladin and the Purchaser

The obligations of Paladin and the Purchaser to complete the transactions contemplated by the Arrangement Agreement are subject to the fulfilment on or before the Effective Time, of each of the following additional conditions precedent which may be waived, in whole or in part, by Paladin or the Purchaser:

- (a) Fission must have complied in all material respects with all of its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (b) the representations and warranties of Fission included in the Arrangement Agreement will be true and correct (disregarding any materiality or Material Adverse Effect qualification contained therein) as of the Effective Date as if made on and as of such date (except for such representations and warranties which refer to or are made as of another specified date, in which case such representations and warranties will have been true and correct as of that date) except for breaches of certain representations and warranties which have not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, or prevent or significantly impede or materially delay the completion of the Arrangement, aside from those separate condition precedents to the obligations of Paladin as outlined in the Arrangement Agreement;
- (c) a Material Adverse Effect must not occur;
- (d) Paladin and the Purchaser must receive a certificate signed by a senior officer of Fission certifying that certain conditions set out in the Arrangement Agreement have been satisfied;
- (e) Dissent Rights must not be exercised by holders of more than 5% of the Fission Shares; and
- (f) there must not be, pending or threatened in writing, any proceeding by any Governmental Authority or any other person that is reasonably likely to result in any:
 - (i) prohibition or restriction on the acquisition by Paladin and the Purchaser (or any of their subsidiaries) of any Fission Shares or the completion of the Arrangement or any person obtaining from either Fission, Paladin or the Purchaser any material damages directly in connection with the Arrangement;
 - (ii) prohibition or material limit on the ownership by Paladin or the Purchaser (or any of their subsidiaries) of Fission, any of its subsidiaries or any material portion of its or their respective assets or businesses; or
 - (iii) imposition of limitations on the ability of Paladin or the Purchaser (or any of its subsidiaries) to acquire or hold, or exercise full rights of ownership of, any Fission Shares, including the right to vote such Fission Shares.

Additional Conditions Precedent to the Obligations of the Company

The obligations of Fission to complete the transactions contemplated by the Arrangement Agreement are subject to the fulfilment on or before the Effective Time, of each of the following additional conditions precedent which may be waived, in whole or in part, by Fission:

- (a) Paladin and the Purchaser must comply in all material respects with all of its obligations, covenants and agreements in the Arrangement Agreement to be performed and complied with on or before the Effective Date;
- (b) the representations and warranties of Paladin and the Purchaser included in the Arrangement Agreement must be true and correct (disregarding any materiality or Paladin Material Adverse Effect qualification contained therein) as of the Effective Date as if made on and as of such date (except for such representations and warranties which refer to or are made as of another specified date, in which case such representations and warranties will have been true and correct as of that date) except for breaches of representations and warranties which have not had and would not reasonably be expected to have, individually or in the aggregate, a Paladin Material Adverse Effect, or prevent or significantly impede or materially delay the completion of the Arrangement;
- (c) a Paladin Material Adverse Effect must not occur;
- (d) Paladin must deposit sufficient Paladin Shares in escrow with Computershare to satisfy the aggregate Share Consideration and Computershare must confirm receipt of such Paladin Shares; and
- (e) Fission must receive a certificate signed by a senior officer of Paladin and the Purchaser certifying that certain conditions set out in the Arrangement Agreement have been satisfied.

Covenants***General***

Each Party has covenanted to operate their respective businesses (including those of its subsidiaries) in the ordinary course during the interim period between the signing of the Arrangement Agreement and the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms (the “**Interim Period**”).

Additionally, the Parties have mutually covenanted that during the Interim Period they and their subsidiaries will, among other things:

- (a) use commercially reasonable efforts to satisfy the conditions precedent (including obtaining the Key Regulatory Approvals), as applicable to each Party, under the Arrangement Agreement, to the extent the same is within their control, and to take all other action and to do all other things necessary and commercially reasonable under all applicable Laws to complete the Arrangement;
- (b) refrain from taking any action which is inconsistent with the Arrangement Agreement or which would reasonably be expected to, materially impede or delay the consummation of the Arrangement; and
- (c) use commercially reasonable efforts to execute and do all acts, further deeds and assurances as may be required in the reasonable opinion of the other Parties’ legal counsel to permit the completion of the Arrangement.

Key Regulatory Approvals

The Parties have covenanted to, using commercially reasonable efforts, obtain the Key Regulatory Approvals as promptly as practicable and, in any event, prior to the Outside Date. In particular:

- (a) in respect of the Competition Approval,
 - (i) Paladin shall prepare and submit to the Commissioner a letter requesting that the Commissioner issue an Advance Ruling Certificate in respect of the transactions contemplated by the Arrangement Agreement, or in the alternative, a No-Action Letter as soon as practicable, within five business days of the Arrangement Agreement; and
 - (ii) the Parties shall, or shall cause their respective subsidiaries or affiliates to:
 - (A) if either Party requests that such notice be made, each submit to the Commissioner a merger notification in respect of the transactions contemplated by the Arrangement Agreement pursuant to Part IX of the Competition Act as soon as practicable and, in any event, within five business days of the date of that request;
 - (B) use commercially reasonable efforts to submit all supplemental filings, submissions, documentation and information that are necessary or advisable to obtain the Competition Approval, and to promptly respond to the Commissioner's requests for additional information or documentation in respect of the transactions contemplated by the Arrangement Agreement;
- (b) in respect of the ICA Approval, Paladin or the Purchaser shall prepare the required notice under the Investment Canada Act with the appropriate minister or ministers designated under the Investment Canada Act, as soon as practicable and within five business days of the date of the Arrangement Agreement;
- (c) the Purchaser shall, or shall cause its affiliates to, use commercially reasonable efforts to resolve any objections and avoid or eliminate each and every impediment asserted by any Governmental Authority under the Competition Act or the Investment Canada Act, including but not limited to proposing, negotiating, accepting, agreeing to and/or effecting, by consent agreement or otherwise, (A) the sale, assignment, amendment, licence, separate holding, divestiture, disposition or termination of any assets, properties, products, businesses, contracts, licences or financing arrangements of the Company or any of its subsidiaries, other than with respect to PLS, (B) any behavioural or other remedy or undertaking imposing conditions, restraints, amendments or limitations on the assets, properties, products, businesses, contracts, licences or financing arrangements of the Company or any of its subsidiaries, or (C) any other arrangement with respect to the Company or any of its subsidiaries as may be necessary to avoid the commencement of litigation in respect of the transactions contemplated by the Arrangement Agreement that may have the effect of delaying or preventing the completion of the transactions contemplated by the Arrangement Agreement; provided that, any such actions are conditional upon completion of the transactions contemplated by the Arrangement Agreement and would not result in a Material Adverse Effect without regard to the exceptions set out in (ii) and (x) of the definition thereof;
- (d) the Parties shall coordinate and cooperate in exchanging information and supplying assistance that is reasonably requested in connection with its preparation of any filing of submission necessary or advisable to obtain the Key Regulatory Approvals, including (A) keeping each other reasonably informed as to the status of the proceedings related to obtaining such Key Regulatory Approvals, (B) providing each other with advanced copies of and reasonable opportunity to comment on all filings, submissions, notices, information, documentation, material correspondence (including emails) submitted to or filed with any Governmental Authority, (C) considering in good faith, the reasonable suggestions made by the other Party and their external legal counsel, and (D) promptly providing to each other copies

of all filings, submissions, notices, information, documentation, material correspondence (including emails) and requests received from any Governmental Authority;

- (e) neither Party will engage in any meetings or material discussions with any Governmental Authority in respect of any of the Key Regulatory Approvals without giving the other Party prior notice of the meeting or discussion and, to the extent permitted by the Governmental Authority, the opportunity for such other Party and/or their external legal counsel to attend and participate;
- (f) neither party shall extend or consent to any extension of any applicable waiting or review period, or enter into any agreement with a Governmental Authority to delay completion of the transaction contemplated by the Arrangement Agreement without obtaining the prior written consent of the other Party (such consent not to be unreasonably withheld); and
- (g) Paladin or the Purchaser shall pay any filing fee payable to any Governmental Authority in connection with the Key Regulatory Approvals.

In addition to the mutual covenants in respect of the Interim Period, each Party has provided their own set of customary covenants regarding the conduct of their respective businesses during the Interim Period, including (but not limited to) those described below.

Fission Interim Covenants Regarding the Conduct of its Business

The Arrangement Agreement includes customary affirmative and negative covenants by Fission in favour of Paladin and the Purchaser pertaining to the conduct of its business during the Interim Period, including with respect to, among other things, corporate matters, share capital, dispositions and acquisitions, issuance of securities, accounting matters, permits and licences, assets, properties and mineral rights, contracts, employment and compensation arrangements, indebtedness, maintaining insurance policies, taxes, litigation, contracts, and communications with Governmental Authorities.

Paladin and the Purchaser Interim Covenants Regarding the Conduct of its Business

With respect to Paladin and the Purchaser, except as expressly permitted or required by the Arrangement Agreement or the Plan of Arrangement or as required by applicable law, or with the prior consent of Fission, Paladin and the Purchaser shall and shall cause each of their subsidiaries to conduct its business in the ordinary course and in accordance with Law, and Paladin and the Purchaser shall use commercially reasonable efforts to maintain and preserve intact their and their subsidiaries' business organization, assets, properties, employees, goodwill and business relationships; and Paladin and the Purchaser shall not and shall cause each of their subsidiaries not to: (i) amend its organizational or constating documents in any manner that would adversely affect the value of the Share Consideration or Option Consideration; (ii) split, combine, or reclassify Paladin Shares; (iii) reorganize, amalgamate or merge Paladin, or, to the extent prejudicial to the Arrangement or to Fission, any subsidiary of Paladin; (iv) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of Paladin; or (v) authorize, agree or resolve to do any of the foregoing.

Non-Solicitation and Right to Match

Under the Arrangement Agreement, Fission has agreed to certain non-solicitation covenants, including (but not limited to) the following. Fission shall not, and shall cause its subsidiaries not to, directly or indirectly:

- (a) solicit, assist, initiate encourage or knowingly facilitate any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

- (b) enter into, engage in, continue or otherwise participate in any discussions or negotiations with any person regarding, or furnish any information to any person in connection with any inquiry, proposal, expression or offer that constitutes or could reasonably be expected to constitute or lead to an Acquisition Proposal, or otherwise knowingly encourage, facilitate, cooperate with, assist or participate in, any effort or attempt of any other person to do or seek to do any of the foregoing;
- (c) make a Change of Recommendation;
- (d) accept, approve, endorse or recommend, or publicly propose to accept approve, endorse or recommend, or take no position or remain neutral with respect to, any Acquisition Proposal; and
- (e) accept or enter into or publicly propose to accept or enter into any agreement, understanding or arrangement in respect of an Acquisition Proposal.

Fission shall, and cause its subsidiaries and representatives to, immediately cease and terminate any solicitation, encouragement, discussion, negotiation, or other activities commenced prior to the date of the Arrangement Agreement with any person with respect to any inquiry, expression proposal or offer that constitutes, or any reasonably be expected to constitute or lead to, an Acquisition Proposal, and the Company will:

- (a) immediately discontinue access to and disclosure of all information regarding the Company or any of its subsidiaries, including any data room and any confidential information, properties, facilities, books and records of the Company or any of its subsidiaries; and
- (b) to the extent that such information has not previously been returned, within two business days from the date of the Arrangement Agreement, request, exercise all rights it has to require (i) the return or destruction of all copies of any confidential information regarding the Company and any of its subsidiaries previously provided in connection therewith to any person; and (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding the Company or ay of its subsidiaries, in each case, using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights or entitlements.

If Fission receives an Acquisition Proposal that constitutes a Superior Proposal prior to obtaining the Required Securityholder Approval, the Board may make a Change of Recommendation and/or approve, accept or enter into a definitive agreement with respect to such Superior Proposal if, and only if, prior to such Change of Recommendation and/or approval, acceptance or entering into a definitive agreement with respect to such Superior Proposal:

- (a) the person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction with the Company or any of its subsidiaries;
- (b) the Company has been, and continues to be, in compliance with its obligations under the Arrangement Agreement;
- (c) the Company has delivered to Paladin and the Purchaser written notice which shall include (i) confirmation that the Board has determined that such Acquisition Proposal constitutes a Superior Proposal; (ii) confirmation of the intention of the Board to make a Change of Recommendation and/or enter into a definitive agreement with respect to such Superior Proposal; (iii) the determination by the Board of the value and financial terms that the Board has determined should be should be ascribed to any non-cash consideration offered under such Superior Proposal; and (iv) a copy of the proposed agreement with respect to such Superior Proposal and all ancillary agreements;
- (d) the Matching Period has elapsed;

- (e) during any Matching Period, Paladin and the Purchaser have the opportunity, but not the obligation to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;
- (f) after the Matching Period, the Board (i) has determined in good faith, after consultation with its outside legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal and (ii) has determined in good faith, after consultation with its outside legal counsel, that the failure by the Board to recommend that the Company enter into a definitive agreement with respect to such Superior Proposal would be inconsistent with its fiduciary duties under applicable Law;
- (g) During the Matching Period, the Board shall review any offer made by Paladin and the Purchaser to amend the terms of the Arrangement Agreement and Arrangement in order to determine whether such proposal would, upon acceptance result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal and the Company shall cause its representatives to negotiate in good faith with Paladin and the Purchaser to make such amendments to the terms of the Arrangement Agreement and Arrangement as would enable Paladin and the Purchaser to proceed with the Arrangement;
- (h) If the Board determines that that such Acquisition Proposal would cease to be a Superior Proposal, the Company shall promptly so advise Paladin and the Purchaser and the Parties shall amend the Arrangement Agreement to reflect such offer made by Paladin and the Purchaser;
- (i) Each successive amendment or modification to any Acquisition Proposal that results in an increase in, or modification of the consideration to be received by the Fission Securityholders shall constitute a new Acquisition Proposal and Paladin and the Purchaser will be afforded a new five business day Matching Period;
- (j) The Board shall promptly reaffirm the Board Recommendation by press release after any Acquisition Proposal which the Board has determined not to be a Superior Proposal is publicly announced or publicly disclosed or the Board determines that a proposed amendment to the terms of the Arrangement Agreement would result in an Acquisition Proposal no longer being a Superior Proposal;
- (k) If the Company provides a Superior Proposal Notice (as defined herein) to Paladin and the Purchaser on a date that is less than ten business days before the Meeting, the Company shall either proceed with or adjourn or postpone the Meeting, as directed by Paladin and the Purchaser, to a date that is not more than ten business days after the scheduled date of the Meeting; and
- (l) Nothing contained in the Arrangement Agreement shall prevent the Board from complying with Section 2.17 of National Instrument 62-104 – *Takeover Bids and Issuer Bids* and similar provisions under applicable Laws relating to the provision of a directors' circular in respect of an Acquisition Proposal that it determines is not a Superior Proposal. The Company shall provide Paladin, the Purchaser and their outside legal counsel with a reasonable opportunity to review the form and content to such directors' circular or other disclosure and shall make all reasonable amendments to such directors' circular or other disclosure as requested by Paladin and their outside legal counsel.

Termination of Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Time by the mutual written agreement of Fission, Paladin and the Purchaser. The Arrangement Agreement may also be terminated prior to the Effective Time by either Fission, Paladin or the Purchaser if: (a) the Arrangement Resolution is not approved, (b) any Law is enacted, made, enforced or amended that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Parties from consummating the Arrangement and the law has become final and non-appealable, provided that the Party seeking to terminate the Arrangement Agreement has used its commercially reasonable efforts to, as applicable, appeal or overturn such

Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; and (c) the Effective Time does not occur on or prior to the Outside Date, provided that a Party may not terminate the Arrangement Agreement if failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement.

Company Termination Rights

Fission can terminate the Arrangement Agreement if: (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Paladin and the Purchaser set forth in the Arrangement Agreement shall have occurred that would cause the conditions set forth in *“The Arrangement – Conditions to Closing – Mutual Conditions”* and *“The Arrangement – Conditions to Closing – Company Conditions”* not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date; provided that Fission is not then in breach of the Arrangement Agreement so as to cause any of the conditions set forth in *“The Arrangement – Conditions to Closing – Mutual Conditions”* or *“The Arrangement – Conditions to Closing – Purchaser Conditions”* not to be satisfied; (ii) there has occurred a Paladin Material Adverse Effect; or (iii) prior to the approval by the Fission Securityholders of the Arrangement Agreement, the Board authorizes the Company to enter into a written agreement with respect to a Superior Proposal in accordance with the conditions set forth in *“The Arrangement – Non Solicitation and Right to Match”*.

Purchaser Termination Rights

Paladin and the Purchaser may terminate the Arrangement Agreement if: (i) prior to the Effective Time, there is a Change of Recommendation; (ii) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Fission set forth in the Arrangement Agreement shall have occurred that would cause the conditions set forth in *“The Arrangement – Conditions to Closing – Mutual Conditions”* or *“The Arrangement – Conditions to Closing – Purchaser Conditions”* not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date; provided that Paladin and the Purchaser are not then in breach of the Arrangement Agreement so as to cause any of the conditions set forth in *“The Arrangement – Conditions to Closing – Mutual Conditions”* or *“The Arrangement – Conditions to Closing – Company Conditions”* not to be satisfied; (iii) Fission materially breaches any of the non-solicitation and exclusivity provisions in the Arrangement Agreement; and (iv) there has occurred a Fission Material Adverse Effect that is incapable of being cured on or prior to the Outside Date.

Termination Fee

The Termination Fee, being \$40 million, is payable by Fission to Paladin and the Purchaser in certain circumstances in connection with the termination of the Arrangement Agreement. The Termination Fee is payable if: (i) Paladin and the Purchaser terminate the Arrangement Agreement due to a Change of Recommendation or a material breach of the Company’s non-solicitation obligations contained in the Arrangement Agreement; (ii) Fission terminates the Arrangement Agreement due to a Superior Proposal; (iii) the Arrangement Agreement is terminated due to the Required Securityholder Approval having not been obtained and prior to the Meeting an Acquisition Proposal is made or publicly announced, disclosed by any person, and such Acquisition Proposal or intent to make an Acquisition Proposal is not withdrawn prior to the Meeting and (X) within 12 months following the date of such termination Fission consummates or effects such Acquisition Proposal, except that a reference to “20%” therein shall be deemed to be a reference to “50%”, or (Y) Fission, directly or indirectly, in one or more transactions, enters into a contract, other than permitted in the Arrangement Agreement, in respect of such Acquisition Proposal and such Acquisition Proposal is later consummated or effected (whether or not such Acquisition Proposal is later consummated or effected within twelve months after such termination). Any Termination Fee is intended to be proceeds to Paladin and the Purchaser for the disposition of its rights under the Arrangement Agreement.

Amendments

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting, be amended by written agreement of the Parties, and any such amendment may, subject to applicable Laws, further notice to or authorization on the part of the Fission Shareholders, and any such amendment may, without limitation: (i) change the time for performance of any of the obligations or acts of the Parties; (ii) waive any inaccuracies or modify any representation, term or provision contained in the Arrangement Agreement or in any document delivered pursuant thereto; (iii) waive compliance with or modify any of the covenants contained in the Arrangement Agreement; and/or (iv) waive or modify performance of any of the obligations of the Parties, provided however that no such amendment may reduce or materially affect the consideration to be received by Fission Securityholders under the Arrangement without their approval at the Meeting, or following the Meeting, without their approval given in the same manner as required by applicable Laws for the approval of the Arrangement as may be required by the Court.

Expenses

Except as expressly otherwise provided in the Arrangement Agreement, all fees, costs and expenses incurred in connection with the Arrangement Agreement and the Arrangement shall be paid by the Party incurring such fees, costs or expenses.

RISK FACTORS

In addition to other information included in and incorporated by reference into this Circular, including among others, the matters addressed in “Cautionary Note Regarding Forward-Looking Information and Risks”, you should carefully consider the following risk factors before deciding whether to vote on the Arrangement Resolution. In addition, you should read and consider the risks associated with the businesses of each of Fission and Paladin, because these risks will related to the Combined Company if the Arrangement is completed. See “Information Concerning Paladin”, “Information Concerning Paladin Following the Arrangement” and “Risks Relating to Paladin and the Combined Company” in Appendix G to this Circular. You should also read and consider the risk factors related to Fission described in Fission’s annual information form for the year ended December 31, 2023, a copy of which can be found on Fission’s SEDAR+ profile at www.sedarplus.com. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated.

Risks Relating to the Arrangement

The following is not a definitive list of all risk factors associated with the Arrangement. Additional risks and uncertainties, including those currently unknown or considered immaterial by Fission, may also adversely affect the trading price of Fission Shares, Paladin Shares and/or the businesses of Fission or the Combined Company.

The completion of the Arrangement is subject to conditions precedent and there can be no certainty that all such conditions will be satisfied or waived. Failure to complete the Arrangement in a timely manner, or at all, could negatively impact the market price of Fission Shares and Paladin Shares.

The completion of the Arrangement is subject to a number of conditions precedent, some of which are outside of the Parties’ control, including receipt of the Final Order, the Required Securityholder Approval, and the Key Regulatory Approvals (as discussed further below). In addition, the completion of the Arrangement is conditional on, among other things, no Material Adverse Effect or Paladin Material Adverse Effect having occurred, or having been disclosed to the public (if previous undisclosed to public) in respect of the other Party. See “*The Arrangement Agreement – Conditions to Closing*” in this Circular.

There can be no certainty, nor can the Parties provide any assurance, that all conditions precedent to the Arrangement will be satisfied or waived, or if satisfied or waived, when they will be satisfied or waived and, accordingly, the Arrangement may not be completed. If the Arrangement is not completed, the market price of Fission Shares may be adversely affected.

The Key Regulatory Approvals may not be obtained or, if obtained, may not be obtained on a favourable basis or in a timely manner.

To complete the Arrangement, each of Parties must make certain filings with and obtain certain consents and approvals from the applicable Governmental Authorities in relating to the Key Regulatory Approvals. The Competition Approval has been received, but the ICA Approval has not yet been obtained. The regulatory approval process may take a lengthy period of time to complete, which could delay completion of the Arrangement. If obtained, the ICA Approval may be conditioned, with the conditions imposed by the applicable Governmental Authority not being acceptable to the Parties, or, if acceptable, not being on terms that are favourable to the Combined Company. There can be no assurance as to the outcome of the Key Regulatory Approval process, including the undertakings and conditions that may be required for approval or whether the ICA Approval will be obtained. If not obtained, or if obtained on terms that are not satisfactory to the Parties, the Arrangement may not be completed.

The Arrangement Agreement may be terminated by Paladin and the Purchaser in certain circumstances.

Paladin and the Purchaser have the right to terminate the Arrangement Agreement and not complete the Arrangement in certain circumstances. Accordingly, there can be no certainty, nor can the Parties provide any assurance that the Arrangement Agreement will not be terminated by Paladin or the Purchaser prior to the completion of the Arrangement.

Additionally, termination of the Arrangement Agreement would result in the failure to realize the expected benefits of the Arrangement in respect of the operations and business of Fission. If terminated, there is no assurance that the Board will be able to find a party willing to pay an equivalent or greater price than the consideration to be paid pursuant to the terms of the Arrangement Agreement.

The market price of the Fission Shares and future business operations of Fission may be materially adversely affected if the Arrangement is not completed.

If, for any reason, the Arrangement is not completed or its completion is materially delayed, the market price of Fission Shares may be materially adversely affected and decline to the extent that the current market price of the Fission Shares reflects a market assumption that the Arrangement will be completed. Depending on the reasons for terminating the Arrangement Agreement, Fission's business, financial condition or results of operations could also be subject to various material adverse consequences, including as a result of paying the Termination Fee, if applicable.

The completion of the Arrangement is uncertain and Fission will incur substantial costs even if the Arrangement is not completed.

As the Arrangement is dependent upon receipt, among other things, of the Key Regulatory Approvals and satisfaction of certain other conditions, its completion is uncertain. If the Arrangement is not completed for any reason, there are risks that the announcement of the Arrangement and the dedication of Fission's resources to the completion thereof could have a negative impact on Fission's relationships with its stakeholders and could have a material adverse effect on the current and future operations, financial condition and prospects of Fission.

Fission will incur certain costs in connection with Arrangement, such as legal, accounting and financial advisor fees, that must be paid even if the Arrangement is not completed. The Parties are each liable for their own costs incurred in connection with the Arrangement. There are also opportunity costs associated with the diversion of management attention away from the conduct of Fission's business in the ordinary course.

Additionally, in certain circumstances, termination of the Arrangement Agreement may result in Fission paying the Termination Fee to Paladin and the Purchaser. See "*The Arrangement Agreement – Termination of Arrangement Agreement – Termination Fee*" in this Circular.

The Arrangement may divert the attention of Fission's management.

The Arrangement could cause the attention of the Fission's management to be diverted from the day-to-day operations of Fission. These disruptions could be exacerbated by a delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of Fission, regardless of whether the Arrangement is ultimately completed.

The Arrangement Agreement restricts Fission from pursuing certain business opportunities, including alternatives to the Arrangement, until the Arrangement is completed. This could discourage a potential competing acquiror from making a Superior Proposal and, in certain circumstances, could require Fission to pay a Termination Fee.

Fission is also subject to customary non-solicitation provisions under the Arrangement Agreement, pursuant to which, Fission and its subsidiaries are restricted from soliciting, initiating or knowingly encouraging any Acquisition Proposal, among other things. The Arrangement Agreement also restricts Fission from taking specified actions until the Arrangement is completed without the consent of Paladin and the Purchaser. These restrictions may prevent Fission from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement.

Fission is required to pay the Termination Fee if the Arrangement Agreement is terminated in certain circumstances. The Termination Fee, being \$40 million, may discourage other parties from attempting to acquire Fission Securities or otherwise making an Acquisition Proposal, even if such parties would otherwise be willing to offer greater value to Fission Securityholders than that offered by Paladin and the Purchaser under the Arrangement.

The market value of the Paladin Shares that Fission Securityholders receive in connection with the Arrangement may be less than the market value of Paladin Shares as of the date of this Circular.

The Exchange Ratio was fixed in the Arrangement Agreement and will not be adjusted to reflect any changes in the market price of Paladin Shares at the Effective Time, which may vary significantly from the date of this Circular. If the market price of Paladin Shares declines, the value of the Share Consideration or Option Consideration received by Fission Securityholders, as applicable, will decline as well. Variations may occur as a result of changes in, or market perceptions of changes in, the business, operations or prospects of the Combined Company, market assessments of the likelihood that the Arrangement will be consummated, regulatory considerations, general market and economic conditions, changes in the prices of metals and other factors over which the Parties have no control.

Members of Fission's Board and management have interests in the Arrangement that are different from, or in addition to, those of Fission Securityholders generally.

In considering the Board Recommendation and whether to approve the Arrangement Resolution, you should be aware that certain members of the Board and senior management have interests that may present them with actual or potential conflicts of interest in connection with the Arrangement. These interests are further described in "The Arrangement – Interests of Certain Persons in the Arrangement" in this Circular.

The foregoing risks or other risks arising in connection with the failure of the Arrangement, including the diversion of management attention from conducting the business of Fission, may have a material adverse effect on Fission's business operations, financial condition, financial results and share price.

The Fairness Opinions do not reflect changes in circumstances that occur between the date of signing the Arrangement Agreement and completion of the Arrangement.

Neither the Board nor the Special Committee has obtained any updated Fairness Opinions as of the date of this Circular, nor do they expect to receive updated, revised or reaffirmed opinions prior to the completion of the Arrangement. Changes in the

operations and prospects of the Parties, general market and economic conditions and other factors that may be beyond the control of the Parties, and on which the Fairness Opinions were based, may significantly alter the value of Fission or the Combined Company, or the market price of the Paladin Shares by the time the Arrangement is completed. The Fairness Opinions do not speak as of the time the Arrangement will be completed or as of any date other than the effective dates of such opinions. As such, the Fairness Opinions will not address the fairness of the Share Consideration, from a financial point of view, at the time the Arrangement is completed.

Fission and Paladin may be the targets of legal claims, securities class action, derivative lawsuits and other claims. Potential litigation could result in substantial costs to the Parties and/or prevent or delay completion of the Arrangement.

Paladin and Fission may be the target of securities class action and derivative lawsuits, which could result in substantial costs and may delay or prevent the Arrangement from being completed. Securities class action and derivative lawsuits are often brought against companies that have entered into an agreement to acquire a public company or to be acquired. Third parties may also attempt to bring claims against Paladin or Fission seeking to restrain the Arrangement or seeking monetary compensation or other redress. Even if the lawsuits are without merit, defending against these claims can result in substantial costs and divert management time and resources. Additionally, if a plaintiff is successful in obtaining an injunction prohibiting consummation of the Arrangement, then that injunction may delay or prevent the Arrangement from being completed.

Fission may be obligated to make substantial cash payments to Dissenting Shareholders.

Registered Fission Shareholders have the right to exercise Dissent Rights and demand payment equal to the fair value of their Fission Shares in cash. If Dissent Rights are properly exercised in respect of a significant number of Fission Shares, Fission will be obliged to make a substantial cash payment to such Dissenting Shareholders, which could have an adverse effect on the Combined Company's financial condition and cash resources.

Further, it is a condition precedent to Paladin and the Purchaser's obligations under the Arrangement Agreement that Fission Shareholders holding no more than 5% of the issued and outstanding Fission Shares validly exercise such Dissent Rights. See "The Arrangement – Dissent Rights".

Each of Paladin's and Fission's boards of directors considered financial projections prepared by each other Party's management in connection with the Arrangement. Actual performance of the Parties may differ materially from these projections.

The Paladin Board and the Fission Board, respectively, considered certain projections for Paladin and Fission. All such projections are based on assumptions and information available at the time the projections were prepared. The Parties do not know whether any of the assumptions made therein will be realized. Such information can be adversely affected by known or unknown risks and uncertainties, many of which are beyond the Parties' control. Further, financial forecasts of this type are based on estimates and assumptions that are inherently subject to risks and other factors such as company performance, industry performance, legal and regulatory developments, general business, economic, regulatory, market and financial conditions, as well as changes to the business, financial condition or results of operations of Paladin and Fission, including the factors described under this subheading "Risk Factors" and under the heading "Cautionary Note Regarding Forward-Looking Information and Risks" in the Circular, and the heading "Risk Factors – Risks Relating to Paladin and the Combined Company" in Appendix G and "Risk Factors" in Appendix H to this Circular, which factors and changes may impact such forecasts or the underlying assumptions. As a result of these contingencies, there can be no assurance that the projections will be realized or that actual results will not be significantly higher or lower than projected. In view of these uncertainties, the references to the projections in the Circular should not be regarded as an indication that the Parties, any of their respective advisors or any other recipient of this information considered, or now considers, it to be an assurance of the achievement of future results.

The projections were prepared by each of Paladin's and Fission's management for internal use and to, among other things, assist the other Party in evaluating the Arrangement. The projections were not prepared with a view toward public disclosure

or toward compliance with IFRS, published guidelines of applicable Securities Authorities or the guidelines established by the Chartered Professional Accountants for preparation and presentation of prospective financial information.

Listing of the Paladin Shares on the TSX may be delayed, or may not occur at all.

Paladin has applied to list the Paladin Shares on the TSX following the completion of the Arrangement. Such listing is subject to TSX approval and Paladin fulfilling all of the original listing requirements of the TSX. Approval of the TSX may be delayed or may not be provided in advance of completing the Arrangement or may not be provided at all.

There could be unknown or undisclosed risks or liabilities of Paladin for which Fission is not permitted to terminate the Arrangement Agreement.

While Fission conducted due diligence with respect to Paladin prior to entering into the Arrangement Agreement, there are risks inherent in any transaction. Specifically, there could be unknown or undisclosed risks or liabilities of Paladin for which Fission is not permitted to terminate the Arrangement Agreement. Any such unknown or undisclosed risks or liabilities could materially and adversely affect the Combined Company's business, financial condition and results of operations. The Parties could encounter additional transaction and enforcement-related costs and may fail to realize any or all of the potential benefits from the Arrangement Agreement. Any of the foregoing risks and uncertainties could have a material adverse effect on the Combined Company.

Owning Paladin Shares will expose Fission Shareholders to different risks.

Paladin conducts its operations outside of Canada and as such Paladin's operations are exposed to various risks normally associated with the conduct of business in foreign countries, including various levels of political and economic risk and other risks and uncertainties. The existence or occurrence of one or more of such circumstances or events could have a material adverse impact on the Combined Company's profitability or the viability of its affected foreign operations, which could have a material adverse effect on the Combined Company's future cash flows earnings, results of operations and financial condition.

For a full description of such risks, please see "Risk Factors – Risks Relating to Paladin and the Combined Company" in Appendix G to this Circular.

The issuance of a significant number of Paladin Shares pursuant to the Arrangement could adversely affect the market price of the Paladin Shares.

If the Arrangement is completed, a significant number of additional Paladin Shares will be issued and will become available for trading in the public market. Any increase in the number of Paladin Shares may lead to sales of such Paladin Shares or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, Paladin Shares.

Risks Relating to the Combined Company

In evaluating Paladin and its business and whether to vote in favour of the Arrangement Resolution, you should carefully consider the risk factors described under this heading, in addition to the other information contained in the Circular. The business and operations of the Combined Company following completion of the Arrangement will continue to be subject to the risks currently faced by Paladin and Fission, as well as those certain risks unique to the Combined Company following completion of the Arrangement. You should also carefully consider the risk factors related to Paladin described below and in Paladin's annual report for the year ended June 30, 2023 which is appended as Exhibit I to Appendix G to the Circular.

The Combined Company may not realize the anticipated benefits of the Arrangement due to difficulties in integrating the operations of Fission and Paladin.

The Arrangement has been agreed to with the expectation that its completion will result in financial and strategic benefits for the Combined Company following completion of the Arrangement. The Combined Company may not realize these anticipated benefits due to challenges associated with integrating the operations of Fission with Paladin's existing operations. The success of the Combined Company will depend in large part on the successful integration of these operations, and the failure of Combined Company to achieve such integration could result in its failure to realize the anticipated benefits of the Arrangement and could impair the results of future operations, profitability and financial results. For additional details, see "*Risk Factors – Risks Relating to Paladin and the Combined Company*" in Appendix G to this Circular.

The Combined Company will face new political risks in certain jurisdictions in which Paladin currently operates.

Paladin's principal operations, development and exploration activities will expose the Combined Company to new jurisdictions, including Namibia, which may be considered to have an increased degree of political and sovereign risks. There can be no assurance that government regulations relating to foreign investment, repatriation of foreign currency, taxation and the mining industry in Namibia (or in the other foreign jurisdictions in which Paladin operates) will not be amended or replaced in the future to the detriment of the Combined Company. For additional details, see "*Risk Factors – Risks Relating to Paladin and the Combined Company*" in Appendix G.

Estimates of Mineral Resources and Ore Reserves are uncertain and may not be indicative of future results.

The estimates of Mineral Resources and Ore Reserves, as referenced in this Circular and Paladin's public filings, are subject to considerable uncertainty and may not be indicative of future results. Paladin's estimates are prepared in accordance with the reporting standards of the JORC Code, but they are expressions of judgment from qualified professionals based on knowledge, experience, industry practice and resource modelling. As such, Mineral Resource and Ore Reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment or revision. For additional details, see "*Risk Factors – Risks Relating to Paladin and the Combined Company*" in Appendix G.

Interests in current or future joint ventures are subject to the risks normally associated with the conduct of joint ventures.

The existing joint venture arrangements with CNNC Overseas Limited are subject the risks normally associated with the conduct of an incorporated joint venture, which in certain circumstances, could have a material adverse impact on the Combined Company's profitability or viability of the Langer Heinrich Mine. Disputes between the joint venture partners have the potential to have a material adverse effect on the Combined Company's future cash flows, earnings, results of operations and financial condition.

INFORMATION CONCERNING THE COMPANY

General

The Company was incorporated under the Canada Business Corporation Act on February 13, 2013. The Company's head and registered office is located at Suite 700 – 1620 Dickson Avenue, Kelowna, British Columbia, V1Y 9Y2. The Company holds a 100% interest in the Patterson Lake South property, which is the Company's only material mineral project for the purposes of NI 43-101.

The Fission Shares are listed on the TSX under the symbol "FCU", on the OTCQX marketplace in the U.S. under the symbol "FCUUF" and on the Frankfurt Stock Exchange under the symbol "2FU". On completion of the Arrangement, the Company will be a wholly-owned subsidiary of Paladin and the Fission Shares will be delisted from the TSX, OTCQX and the Frankfurt Stock Exchange.

Price Range and Trading Volume

The following table shows the high and low trading prices and monthly trading volume of the Fission Shares on the TSX for the six-month period preceding the date of this Circular:

Date	High	Low	Volume
January 2024	\$1.28	\$1.02	44,370,927
February 2024	\$1.33	\$0.93	70,122,226
March 2024	\$1.09	\$0.92	47,625,988
April 2024	\$1.19	\$0.98	36,582,771
May 2024	\$1.18	\$1.03	31,574,848
June 2024	\$1.20	\$1.02	48,345,439
July 1 – 19, 2024	\$1.38	\$1.17	44,679,744

The closing price of the Fission Shares on the TSX on July 19, 2024 was \$1.23. The closing price of the Fission Shares on the TSX on June 21, 2024, the last trading day prior to the announcement of the Arrangement, was \$1.03.

If the Arrangement is completed, all of the Fission Shares will be owned by Paladin and will be delisted from the TSX, OTCQX and Frankfurt Stock Exchange, subject to the rules and policies of the TSX.

Material Changes in the Affairs of the Company

To the knowledge of the directors and senior officers of the Company and except as publicly disclosed or otherwise described in this Circular, there are no plans or proposals for material changes in the affairs of the Company.

Previous Purchases and Sales

The following shares or other securities of the Company have been issued by the Company during the 12-month period preceding the date of this Circular:

Date of Issuance	Date/ Purpose	Description of Securities Issued	Number of Securities	Price per Security
May 13, 2024	Warrant Ex	Common shares	17,000,800	\$0.8500
April 26, 2024	Warrant Ex	Common shares	3,786,833	\$0.8500
March 28, 2024	Warrant Ex	Common shares	103,402	\$0.8500
February 28, 2024	Warrant Ex	Common shares	1,556,679	\$0.8500
February 4, 2024	Bought-Deal	Common shares	75,000,800	\$1.1800
January 31, 2024	Warrant Ex	Common shares	2,739,250	\$0.8500
December 18, 2023	Option Ex	Common shares	216,668	\$0.5800
December 12, 2023	Warrant Ex	Common shares	330,000	\$0.8500
December 8, 2023	ATM	Common shares	3,387,000	\$1.009
November 30, 2023	ATM	Common shares	10,447,400	\$0.9494
November 27, 2023	Option Ex	Common shares	1,948,557	\$0.6059
October 31, 2023	ATM	Common shares	3,629,000	\$0.8734
October 4, 2023	Bought-Deal	Flow-Through Common shares	7,731,092	\$1.1900
September 26, 2023	ATM	Common shares	7,361,000	\$0.8125
September 14, 2023	Option Ex	Common shares	89,981	\$0.5800
August 31, 2023	ATM	Common shares	2,161,000	\$0.7257

Date of Issuance	Date/ Purpose	Description of Securities Issued	Number of Securities	Price per Security
July 31, 2023	ATM	Common shares	472,500	\$0.6005

Dividends or Capital Distributions

The Company has not declared or paid any cash dividends or capital distributions on the Fission Shares in the past two years from the date of this Circular. For the immediate future, the Company does not envisage any earnings arising from which dividends could be paid. Any decision to pay dividends on Fission Shares in the future will be made by the Board on the basis of the earning, financial requirements and other conditions existing at such time.

Expenses

The estimated fees, costs and expenses of the Company in connection with the Arrangement, including, without limitation, fees of the financial advisor, filing fees, legal and accounting fees and printing and mailing costs are not expected to exceed approximately \$14.0 million.

INFORMATION CONCERNING PALADIN

Information regarding Paladin is contained in Appendix G to this Circular. The information concerning Paladin contained in this Circular has been provided by Paladin for inclusion in this Circular. Although the Company has no knowledge that any statement contained herein taken from, or based on, such information provided by Paladin is untrue or incomplete, the Company assumes no responsibility for the accuracy of such information or for any failure by Paladin to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to the Company.

INFORMATION CONCERNING COMBINED COMPANY FOLLOWING THE ARRANGEMENT

On completion of the Arrangement, the Combined Company will continue to be a corporation incorporated under the laws of Australia. On the Effective Date, the Combined Company will, indirectly, own all of the Fission Shares and Fission will be a wholly-owned, indirect, subsidiary of the Combined Company.

For further information regarding the Combined Company after the completion of the Arrangement please see Appendix G to this Circular.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations under the Tax Act of the Arrangement generally applicable to a Fission Shareholder who, for purposes of the Tax Act and at all relevant times (i) holds Fission Shares and will hold Paladin Shares acquired pursuant to the Arrangement as capital property, and (ii) deals at arm's length with, and is not affiliated with, Fission or Paladin (a "**Holder**"). Fission Shares and Paladin Shares generally will be considered capital property to a Holder for purposes of the Tax Act provided that the Holder does not use or hold (and will not use or hold) such shares in the course of carrying on a business of trading or dealing in securities and the Holder has not acquired such shares in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**") as of the date hereof, and our understanding of the administrative policies and assessing practices of the CRA published in writing by the CRA prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act and Regulations (the "**Proposed Amendments**") which have been publicly and officially announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof. It is assumed that the Proposed Amendments will be enacted as currently proposed and does not take into account or anticipate any other changes in law, whether by legislative, governmental, or judicial action or

decision or change in administrative policies or assessing practices of CRA, nor does it take into account other federal or any provincial, territorial or foreign income tax legislation or considerations, which may differ materially from the Canadian federal income tax considerations discussed below. No assurances can be given that the Proposed Amendments will be enacted as proposed or at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

In addition, this summary is not applicable to a Holder (i) that is a “financial institution” for the purposes of the mark-to-market rules in the Tax Act, (ii) that is a “specified financial institution” (as defined in the Tax Act), (iii) is a person or partnership an interest in which is, or whose Fission Shares or Paladin Shares are, a “tax shelter investment” (as defined in the Tax Act), (iv) who has made an election pursuant to the functional currency reporting election rules in the Tax Act, (v) that is a “foreign affiliate” (as defined in the Tax Act) of a taxpayer resident in Canada, (vi) that has entered into or will enter into a “derivative forward agreement”, a “synthetic disposition arrangement”, or a “synthetic equity arrangement” as those terms are defined in the Tax Act with respect to Fission Shares or Paladin Shares, (vii) that will receive dividends on Paladin Shares under or as part of a “dividend rental arrangement” (as defined in the Tax Act), (viii) that has acquired Fission Shares or Paladin Shares on the exercise of an employee stock option or the exercise of warrants, or (ix) that is otherwise a Holder of special status or in special circumstances. This summary is not applicable to persons holding Fission Options. All such Holders should consult their own tax advisors with respect to the consequences of the Arrangement.

Additional considerations, not discussed in this summary, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes, or does not deal at arm’s length for purposes of the Tax Act with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that includes the acquisition of the Paladin Shares, controlled by a non-resident person, or group of non-resident persons not dealing with each other at arm’s length, for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Such Holders should consult their own tax advisor.

THIS SUMMARY IS NOT EXHAUSTIVE OF ALL POSSIBLE CANADIAN FEDERAL INCOME TAX CONSIDERATIONS APPLICABLE TO THE ARRANGEMENT. THIS SUMMARY IS OF A GENERAL NATURE ONLY AND IS NOT AND SHOULD NOT BE CONSTRUED AS LEGAL OR TAX ADVICE TO ANY PARTICULAR PERSON (INCLUDING A HOLDER AS DEFINED ABOVE) AND NO REPRESENTATIONS CONCERNING THE TAX CONSEQUENCES TO ANY PARTICULAR HOLDER ARE MADE. THE TAX CONSEQUENCES OF THE ARRANGEMENT WILL VARY ACCORDING TO THE HOLDER’S PARTICULAR CIRCUMSTANCES. HOLDERS SHOULD CONSULT THEIR OWN INCOME TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES OF THE ARRANGEMENT APPLICABLE TO THEM BASED ON THEIR OWN PARTICULAR CIRCUMSTANCES, INCLUDING THE APPLICATION AND EFFECT OF THE INCOME AND OTHER TAX LAWS OF ANY COUNTRY, PROVINCE OR OTHER JURISDICTION THAT MAY BE APPLICABLE TO THE HOLDER. THIS SUMMARY DOES NOT ADDRESS ANY TAX CONSIDERATIONS APPLICABLE TO PERSONS OTHER THAN HOLDERS AND SUCH PERSONS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE CONSEQUENCES OF THE ARRANGEMENT UNDER THE TAX ACT AND ANY JURISDICTION IN WHICH THEY MAY BE SUBJECT TO TAX.

Currency

Generally, for purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Fission Shares or the Paladin Shares (including dividends, adjusted cost base and proceeds of disposition) must be expressed in Canadian dollars based on the exchange rates as determined in accordance with the Tax Act.

Holdings Resident in Canada

The following portion of this summary is generally applicable to a Holder who, at all relevant times, is a resident of Canada or who is deemed to be a resident of Canada for purposes of the Tax Act (a “Resident Holder”). Certain Resident Holders who might not otherwise be considered to own Fission Shares as capital property may be entitled to have them and all other “Canadian securities”, as defined in the Tax Act, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Resident Holders contemplating making a subsection 39(4) election should consult their own

tax advisors for advice as to whether the election is available or advisable in their particular circumstances. This election does not apply to the Paladin Shares.

Exchange of Fission Shares

A Resident Holder who exchanges Fission Shares pursuant to the Arrangement will be considered to have disposed of the Fission Shares for proceeds of disposition equal to the amount of cash received (if any) and the aggregate fair market value of the Paladin Shares received. As a result, the Resident Holder will generally realize a capital gain (or capital loss) to the extent that such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Fission Share immediately before the exchange. See “Holders Resident in Canada – Capital Gains and Capital Losses” below for a general discussion of the treatment of capital gains and capital losses under the Tax Act.

The cost to the Resident Holder of any Paladin Shares acquired on such exchange will be equal to the fair market value of the Paladin Shares at the time of the exchange. The Resident Holder’s adjusted cost base of the Paladin Shares so acquired will be determined by averaging such cost with the adjusted cost base to the Resident Holder of all Paladin Shares owned by the Resident Holder as capital property immediately prior to such exchange.

Dividends on Paladin Shares

A Resident Shareholder will be required to include in computing such Resident Shareholder’s income for a taxation year the amount of any dividends including amounts deducted for foreign withholding tax, if any, received on the Paladin Shares. Dividends received on Paladin Shares by a Resident Shareholder who is an individual will not be subject to the gross-up and dividend tax credit rules in the Tax Act normally applicable to taxable dividends received from taxable Canadian corporations. A Resident Shareholder that is a corporation will be required to include dividends received on Paladin Shares in computing its income and will not be entitled to deduct the amount of such dividends in computing its taxable income.

To the extent that foreign withholding tax is payable by a Resident Shareholder in respect of any dividends received on Paladin Shares, the Resident Shareholder may be eligible for a foreign tax credit or deduction under the Tax Act to the extent and under the circumstances described in the Tax Act. Resident Shareholders should consult their own tax advisors regarding the availability of a foreign tax credit or deduction in their particular circumstances.

Dispositions of Paladin Shares

A Resident Holder who disposes or is deemed to dispose of a Paladin Share (including on a purchase of Paladin Shares for cancellation by Paladin) generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition therefor exceed (or are exceeded by) the adjusted cost base to the Resident Holder of the Paladin Share immediately before the disposition or deemed disposition and any reasonable expenses incurred for the purpose of making the disposition. The tax treatment of capital gains and capital losses is discussed in greater detail below under “Holders Resident in Canada – Capital Gains and Capital Losses”.

Capital Gains and Capital Losses

Subject to the Capital Gains Proposals (as defined below), a Resident Holder who realizes a capital gain or capital loss in a taxation year on the actual or deemed disposition of a share, including a Fission Share or a Paladin Share, generally will be required to include one half of any such capital gain (a “**taxable capital gain**”) in income for the year, and entitled to deduct one half of any such capital loss (an “**allowable capital loss**”) against taxable capital gains realized in the year and, to the extent not so deductible, in any of the three preceding taxation years or any subsequent taxation year, to the extent and in the circumstances specified in the Tax Act. Proposed Amendments released on June 10, 2024 (the “**Capital Gains Proposals**”) would increase a Resident Holder’s capital gains inclusion rate for a taxation year ending after June 24, 2024 from one-half to two-thirds, subject to a transitional rule applicable for a Resident Holder’s 2024 taxation year that would reduce the capital gains

inclusion rate for that taxation year to, in effect, be one-half for net capital gains realized before June 25, 2024. The Capital Gains Proposals also include provisions that would, generally, offset the increase in the capital gains inclusion rate for up to \$250,000 of capital gains realized by a Resident Holder who is an individual in a year, calculated net of any capital losses incurred in the year (or the portion of the year ending after June 24, 2024 in the case of the 2024 taxation year), and which are not offset by net capital losses from other years which are deducted against taxable capital gains in the year. If the Capital Gains Proposals are enacted as proposed, capital losses realized prior to June 25, 2024 which are deductible against capital gains included in income for the 2024 or subsequent taxation years will offset an equivalent capital gain regardless of the inclusion rate which applied at the time such capital losses were realized.

Dissenting Resident Holders

A Resident Holder who, as a result of the exercise of Dissent Rights, is entitled to be paid the fair value of its Fission Shares by Fission will be deemed to have received a dividend equal to the amount, if any, by which the payment received for such Fission Shares (less the amount in respect of interest, if any, awarded by a court) exceeds the paid-up capital of such Fission Shares (as determined under the Tax Act). Dissenting Resident Holders should consult their own tax advisors with respect to the tax consequences of such deemed dividend.

A dissenting Resident Holder will also be considered to have disposed of such Resident Holder's Fission Shares for proceeds of disposition equal to the amount received by the Resident Holder (excluding the amount of any interest awarded by a court) less the amount of any deemed dividend as described above. The dissenting Resident Holder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Resident Holder's Fission Shares.

A capital gain or capital loss realized by a dissenting Resident Holder will be treated in the same manner as described above under the subheading "*Holders Resident in Canada – Capital Gains and Capital Losses*".

Interest awarded by a court to a dissenting Resident Holder will be included in the holder's income for purposes of the Tax Act.

Resident Holders should consult their own tax advisors with respect to the income tax consequences of exercising their Dissent Rights.

Minimum Tax

Capital gains realized by a Resident Holder who is an individual or a trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act. Resident Holders should consult their own advisors with respect to the application of minimum tax.

Additional Refundable Tax

A Resident Holder that is, throughout the relevant taxation year, a "Canadian controlled private corporation" (as defined in the Tax Act) or, at any time in a relevant taxation year, a "substantive CCPC" (as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) on its "aggregate investment income", which is defined in the Tax Act to include interest income, net taxable capital gains, and dividends (including deemed dividends) that are not deductible in computing the Resident Holder's taxable income for the taxation year.

Offshore Investment Fund Property Rules

The Tax Act contains provisions (the "**OIF Rules**") which, in certain circumstances, may require a Resident Holder to include an amount in income in each taxation year in respect of the acquisition and holding of Paladin Shares if (1) the value of such Paladin Shares may reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments in: (i)

shares of the capital stock of one or more corporations, (ii) indebtedness or annuities, (iii) interests in one or more corporations, trusts, partnerships, organizations, funds or entities, (iv) commodities, (v) real estate, (vi) Canadian or foreign resource properties, (vii) currency of a country other than Canada, (viii) rights or options to acquire or dispose of any of the foregoing, or (ix) any combination of the foregoing, (collectively, the “**Investment Assets**”), and (2) it may reasonably be concluded that one of the main reasons for the Resident Holder acquiring, holding or having Paladin Shares was to derive a benefit from portfolio investments in Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from the Investment Assets for any particular year are significantly less than the tax that would have been applicable under Part I of the Tax Act if the income, profits and gains had been earned directly by the Resident Holder.

In making this determination, the OIF Rules provide that regard must be had to all of the circumstances, including (i) the nature, organization and operation of any non-resident entity, including Paladin, and the form of, and the terms and conditions governing, the Resident Holder’s interest in, or connection with, any such non-resident entity, (ii) the extent to which any income, profit and gains that may reasonably be considered to be earned or accrued, whether directly or indirectly, for the benefit of any such non-resident entity, including Paladin, are subject to an income or profits tax that is significantly less than the income tax that would be applicable to such income, profits and gains if they were earned directly by the Resident Holder, and (iii) the extent to which any income, profits and gains of any such non-resident entity, including Paladin, for any fiscal period are distributed in that or the immediately following fiscal period.

If applicable, the OIF Rules can result in a Resident Holder being required to include in its income for each taxation year in which such Resident Holder owns Paladin Shares the amount, if any, by which (i) the total of all amounts each of which is the product obtained when the Resident Holder’s “designated cost” (as defined in the Tax Act) of Paladin Shares at the end of a month in the year is multiplied by 1/12 of the aggregate of the prescribed rate of interest for the period including that month plus two percentage points exceeds (ii) the Resident Holder’s income for the year (other than a capital gain) in respect of Paladin Shares determined without reference to the OIF Rules. Any amount required to be included in computing a Resident Holder’s income under these provisions will be added to the adjusted cost base and the designated cost of the Paladin Shares to the Resident Holder.

The CRA has taken the position that the term “portfolio investment” should be given a broad interpretation. If the term “portfolio investment” should be given a broad interpretation, and even if the value of the Paladin Shares may reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments in Investment Assets, the OIF Rules will apply only if it is reasonable to conclude that one of the main reasons for a Resident Holder acquiring, holding or having Paladin Shares was to derive, either directly or indirectly, a benefit from Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from such Investment Assets for any particular year are significantly less than the tax that would have been applicable under Part I of the Tax Act if the income, profits and gains had been earned directly by the Resident Holder.

The OIF Rules are complex and Resident Shareholders are urged to consult their own tax advisors regarding the application and consequences of the OIF Rules in their own particular circumstances.

Foreign Property Information Reporting

A Resident Holder who is a “specified Canadian entity” (as defined in the Tax Act) for a taxation year or a fiscal period and whose total “cost amount” of “specified foreign property” (each as defined in the Tax Act), including Paladin Shares, at any time in the year or fiscal period exceeds \$100,000 will be required to file an information return with the CRA for the taxation year or fiscal period disclosing certain prescribed information in respect of such property. Subject to certain exceptions, a taxpayer resident in Canada will be a “specified Canadian entity,” as will certain partnerships. Penalties may apply where a Resident Holder fails to file the required information return in respect of such Resident Holder’s “specified foreign property” (as defined in the Tax Act) on a timely basis in accordance with the Tax Act.

The foreign property reporting rules in the Tax Act are complex and this summary does not purport to address all circumstances in which reporting may be required by a Resident Holder. Resident Holders should consult their own tax advisors regarding compliance with these rules.

Eligibility for Investment

Subject to the provisions of any particular plan, based on the provisions of the Tax Act and Regulations in force as of the date hereof, the Paladin Shares, if issued on the date hereof, would be at the time of acquisition “qualified investments” under the Tax Act for a trust governed by an RRSP, RRIF, TFSA, RESP, FHSA or RDSP as those terms are defined in the Tax Act (each a “Registered Plan”) or a deferred profit sharing plan (as defined in the Tax Act), provided that at the time of acquisition the Paladin Shares are listed on a “designated stock exchange” for the purposes of the Tax Act (which currently includes the TSX and the ASX).

Notwithstanding that the Paladin Shares may be qualified investments at a particular time, the holder, annuitant or subscriber, as applicable, of a Registered Plan will be subject to a penalty tax in respect of a Paladin Share held in the Registered Plan if the share is a “prohibited investment” under the Tax Act. A Paladin Share generally will not be a prohibited investment for a Registered Plan of a holder, annuitant or subscriber thereof, as applicable, provided that (i) the holder, annuitant or subscriber of the account does not have a “significant interest”, within the meaning of the Tax Act, in Paladin and (ii) the holder, annuitant or subscriber deals at arm’s length with Paladin for the purposes of the Tax Act. In addition, the Paladin Shares will not be a prohibited investment if such securities are “excluded property” as defined in the Tax Act, for the purposes of the prohibited investment rules, for a Registered Plan. **Fission Shareholders should consult their own tax advisors to ensure that the Paladin Shares would not be a prohibited investment for a trust governed by a Registered Plan in their particular circumstances.**

Persons who intend to hold Paladin Shares in a Registered Plan or deferred profit sharing plan should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

Holders Not Resident in Canada

The following portion of this summary is applicable to a Holder who: (i) has not been and will not be resident or deemed to be resident in Canada for purposes of the Tax Act at any time while they have held or will hold Fission Shares or Paladin Shares; and (ii) does not use or hold, will not use or hold and is not deemed to use or hold, Fission Shares or Paladin Shares in connection with carrying on a business in Canada (a “Non-Resident Holder”). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or an “authorized foreign bank” as defined in the Tax Act. Such Non-Resident Holders should consult their own tax advisors with respect to the Arrangement.

Exchange of Fission Shares and Subsequent Dispositions of Paladin Shares

Non-Resident Holders who exchange their Fission Shares under the Arrangement for the Share Consideration will not be subject to tax under the Tax Act on any capital gain realized on the exchange unless such Fission Shares are, or are deemed to be, “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of exchange and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Similarly, any capital gain realized by a Non-Resident Holder on the disposition or deemed disposition of Paladin Shares will not be subject to tax under the Tax Act unless such Paladin Shares are, or are deemed to be, taxable Canadian property of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Generally, as long as a Fission Share or a Paladin Share, as applicable, of the Non-Resident Holder is listed on a “designated stock exchange” as defined in the Tax Act (which includes the TSX and the ASX), such share will not constitute taxable Canadian

property of the Non-Resident Holder at that time unless, at any time during the 60 month period immediately preceding the disposition or deemed disposition of the share the following two conditions are met concurrently:

- (a) the Non-Resident Holder, persons with whom the Non-Resident Holder does not deal at arm's length, partnerships whose members include, either directly or indirectly through one or more partnerships, the Non-Resident Holder and/or persons with whom the Non-Resident Holder does not deal at arm's length, or any combination of the foregoing, owned 25% or more of the issued shares of any class or series of shares of the capital stock of Fission or Paladin, as applicable; and
- (b) the share derived more than 50% of its fair market value directly or indirectly from, or from any combination of, real or immovable property situated in Canada, "Canadian resource properties", "timber resource properties" (as those terms are defined in the Tax Act), or options in respect of, interests in, or, for civil law, rights in, any such property (whether or not such property exists).

Notwithstanding the foregoing, a Fission Share or Paladin Share may also be deemed to be taxable Canadian property to a Non-Resident Holder in certain other circumstances under the Tax Act.

A Non-Resident Holder's capital gain (or capital loss) in respect of a Fission Share or a Paladin Share that constitutes or is deemed to constitute taxable Canadian property of a Non-Resident Holder (and is not "treaty-protected property" as defined in the Tax Act) will generally be computed in the manner described under the subheadings "Holders Resident in Canada - Exchange of Fission Shares", "Holders Resident in Canada - Dispositions of Paladin Shares" and "Holders Resident in Canada - Capital Gains and Capital Losses".

Non-Resident Holders who may hold shares as "taxable Canadian property" should consult their own tax advisors in this regard, including with respect to the potential Canadian income tax filing requirements of owning and disposing of such shares.

Dividends on Paladin Shares

Dividends paid on Paladin Shares to a Non-Resident Shareholder will not be subject to Canadian withholding tax or other income tax under the Tax Act.

Dissenting Non-Resident Holders

A Non-Resident Holder who, as a result of the exercise of Dissent Rights, is entitled to be paid the fair value of its Fission Shares by Fission will be deemed to have received a dividend equal to the amount, if any, by which the payment received for such Fission Shares (less the amount in respect of interest, if any, awarded by a court) exceeds the paid-up capital of such shares (as determined under the Tax Act).

Dividends deemed to be paid or credited to a dissenting Non-Resident Holder by Fission will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend unless such rate is reduced by the terms of an applicable income tax treaty or convention. For example, under the Canada-United States Tax Convention (1980), as amended (the "**U.S. Treaty**"), the rate of withholding tax on dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder who is resident in the United States for purposes of the U.S. Treaty, is the beneficial holder of the dividend, and is fully entitled to benefits under the U.S. Treaty (a "**U.S. Holder**") is generally reduced to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a company beneficially owning at least 10% of such company's voting shares).

A Non-Resident Holder that is a dissenting Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on the disposition unless such Fission Shares are, or are deemed to be, "taxable Canadian property" (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an

applicable income tax treaty or convention. The same general considerations apply as discussed above under the heading “Holders Not Resident in Canada – Exchange of Fission Shares and Subsequent Dispositions of Paladin Shares” in determining whether a capital gain will be subject to tax under the Tax Act.

Any interest paid or credited to a dissenting Non-Resident Holder who deals at arm’s length with Fission, Paladin and the Purchaser for purposes of the Tax Act should not be subject to withholding tax under the Tax Act.

Non-Resident Holders should consult their own tax advisors with respect to the consequences of exercising their Dissent Rights.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed under “*The Arrangement – Interests of Certain Persons in the Arrangement*” in this Circular, no informed person of the Company (e.g. directors and executive officers of the Company and Persons beneficially owning or controlling or directing voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company), or any associate or affiliate of any informed person, has had any material interest in any transaction, or proposed transaction, which has materially affected or would materially affect the Company or any of its subsidiaries since the commencement of the most recently completed financial year of the Company.

AUDITORS

PricewaterhouseCoopers LLP (“**PwC**”) is the auditor of the Company and is independent of the Company within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct. PwC has served as the Company’s auditor since 2013.

LEGAL MATTERS

Certain legal matters in connection with the Arrangement will be passed upon by Blake, Cassels & Graydon LLP on behalf of Fission. Certain legal matters in connection with the Arrangement will be passed upon by Fasken Martineau DuMoulin LLP on behalf of Paladin and the Purchaser. The partners and associates of these firms beneficially owned, directly or indirectly, less than 1% of the issued and outstanding Fission Shares and Paladin Shares.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on our website at www.fissionuranium.com and under Fission’s profile on SEDAR+ at www.sedarplus.com. Financial information is provided in the Company’s audited consolidated financial statements and MD&A for its most recently completed financial year which are filed on SEDAR+ at www.sedarplus.com. In addition, copies of the Company’s annual financial statements and MD&A, the Company’s most recent interim financial statements for the three month period ended March 31, 2024 and this Circular may be obtained upon request to the Company at 1-250-868-8140 to request copies of these documents, which will be provided free of charge.

APPROVAL OF THE BOARD OF DIRECTORS

The contents and the sending of the Notice of Meeting and this Circular have been approved by the Board.

DATED this 16th day of July, 2024

BY ORDER OF THE BOARD OF DIRECTORS OF FISSION URANIUM CORP.

(signed) “*Ross McElroy*”

Ross McElroy
CEO, President & Director
Fission Uranium Corp.

**APPENDIX A
ARRANGEMENT RESOLUTION**

The text of the Arrangement Resolution which the Fission Securityholders will be asked to pass at the Meeting is as follows:

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act* involving Fission Uranium Corp. (the "**Company**"), pursuant to the arrangement agreement between the Company and Paladin Energy Ltd. ("**Paladin**") dated June 24, 2024, as amended on July 25, 2024, as it may be modified, supplemented or amended from time to time in accordance with its terms (the "**Arrangement Agreement**"), as more particularly described and set forth in the management information circular of the Company dated July 22, 2024 (the "**Circular**"), and all transactions contemplated thereby, are hereby authorized, approved and adopted.
2. The plan of arrangement of the Company, as it has been or may be modified, supplemented or amended in accordance with the Arrangement Agreement and its terms (the "**Plan of Arrangement**"), the full text of which is set out as Appendix B to the Circular, is hereby authorized, approved and adopted.
3. The: (i) Arrangement Agreement and all the transactions contemplated therein; (ii) actions of the directors of the Company in approving the Arrangement and the Arrangement Agreement; and (iii) actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement and any modifications, supplements or amendments thereto, and causing the performance by the Company of its obligations thereunder, are hereby ratified and approved.
4. The Company is hereby authorized to apply for a final order from the Supreme Court of British Columbia (the "**Court**") to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be, or may have been, modified, supplemented or amended).
5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the holders of Fission Securities (the "**Company Securityholders**") entitled to vote thereon or that the Arrangement has been approved by the Court, the directors of the Company are hereby authorized and empowered, without further notice to or approval of the Company Securityholders: (i) to amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by their terms; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and any related transactions.
6. Any officer or director of the Company is hereby authorized and directed, for and on behalf of the Company, to execute or cause to be executed and to deliver or cause to be delivered, whether under the corporate seal of the Company or otherwise, all such other documents and instruments and to perform or cause to be performed all such other acts and things as, in such person's opinion, may be necessary or desirable to give full force and effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of any such other document or instrument or the doing of any such other act or thing.

**APPENDIX B
PLAN OF ARRANGEMENT**

See attached.

**PLAN OF ARRANGEMENT
UNDER SECTION 192 OF THE
CANADA BUSINESS CORPORATIONS ACT**

INTERPRETATION

1.1 Definitions

Unless otherwise indicated, whenever used in this Plan of Arrangement, capitalized terms used but not otherwise defined shall have the respective meanings specified in the Arrangement Agreement and the following words and terms have the meanings set out below:

“**affiliate**” has the meaning given to it in National Instrument 45-106 – *Prospectus Exemptions* under Canadian Securities Laws;

“**Arrangement**” means the arrangement of the Company under Section 192 of the CBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of the Arrangement Agreement, Article 6 of this Plan of Arrangement or made at the direction of the Court in the Final Order provided, however, that any such amendment or variation is acceptable to the Company, the Purchaser and Paladin, each acting reasonably;

“**Arrangement Agreement**” means the arrangement agreement dated June 24, 2024, as amended July 25, 2024, among the Company, Paladin and the Purchaser to which this Plan of Arrangement is attached as Schedule “A”, including all schedules annexed thereto, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

“**Arrangement Resolution**” means the special resolution of the Securityholders approving the Arrangement, which is to be considered and, if thought fit, passed at the Company Meeting, substantially in the form of Schedule “B” to the Arrangement Agreement;

“**ASX**” means the Australian Securities Exchange;

“**Australian Securities Laws**” means all applicable Australian securities Laws, including the listing rules of the ASX;

“**Business Day**” means any day, other than a Saturday, a Sunday or any day on which major banks are closed for business in Vancouver, British Columbia, Toronto, Ontario or Perth, Western Australia;

“**Canadian Securities Laws**” means the Securities Act, together with all other applicable securities Laws, rules and regulations and published policies thereunder or under the securities laws of any other province or territory of Canada;

“**CBCA**” means the *Canada Business Corporations Act*;

“**Certificate of Arrangement**” means the certificate giving effect to the Arrangement issued by the Director pursuant to Section 192(7) of the CBCA;

“**Common Shares**” means the common shares in the authorized share capital of the Company;

“**Company**” means Fission Uranium Corp., a corporation existing under the federal laws of Canada;

“**Company Meeting**” means the special meeting of the Securityholders, including any adjournment or postponement thereof, held to consider and, if thought fit, approve, among other things, the Arrangement Resolution;

“**Consideration**” means: (a) the Share Consideration, in the case of each Common Share held immediately prior to the Effective Time by a Shareholder that is not an Ineligible Shareholder; and (b) the Sale Facility Proceeds, in the case of each Common Share held immediately prior to the Effective Time by an Ineligible Shareholder;

“**Court**” means the Supreme Court of British Columbia;

“**Depository**” means Computershare Investor Services Inc., or any Person that Paladin or the Purchaser may appoint to act as depository for the Common Shares in relation to the Arrangement, with the approval of the Company, acting reasonably;

“**Director**” means the director appointed pursuant to Section 260 of the CBCA;

“**Dissent Rights**” has the meaning set forth in Section 4.1(a);

“**Dissent Shares**” means Common Shares held by a Dissenting Shareholder and in respect of which the Dissenting Shareholder has validly exercised Dissent Rights;

“**Dissenting Shareholder**” means a registered Shareholder as of the record date of the Company Meeting who has duly and validly exercised the Dissent Rights in strict compliance with the procedures set out in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and Section 4.1 of this Plan of Arrangement, and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;

“**Effective Date**” means the date upon which the Arrangement becomes effective, as set out in Section 2.9 of the Arrangement Agreement, which will be the date shown in the Certificate of Arrangement;

“**Effective Time**” means 12:01 a.m. (Toronto time) on the Effective Date or such other time as agreed to by Paladin, the Purchaser and the Company in writing;

“**Exchange Ratio**” means 0.1076;

“Exercise Price Differential” means, in respect of an Option, the amount by which the Offer Price exceeds the exercise price payable under such Option by the holder thereof to acquire one Common Share;

“Final Order” means the final order of the Court pursuant to Section 192 of the CBCA, in form and substance acceptable to the Company, the Purchaser and Paladin, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, approving the Arrangement, as such order may be amended, modified, supplemented or varied by the Court (with the consent of the Company, the Purchaser and Paladin, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal (provided that any such amendment is acceptable to the Company, the Purchaser and Paladin, each acting reasonably);

“Final Proscription Date” has the meaning set forth in Section 5.5;

“Governmental Entity” means: (a) any multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, ministry, bureau or agency, domestic or foreign; (b) any stock exchange, including the TSX, Frankfurt Stock Exchange, and OTCQX; (c) any subdivision, agent, commission, board or authority of any of the foregoing; or (d) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, antitrust/competition, foreign investment, expropriation or taxing authority under or for the account of any of the foregoing;

“Ineligible Shareholder” means any Shareholder who is, or appears to Paladin or the Purchaser, to be, a resident of a jurisdiction (other than Canada, the United States, the United Kingdom or China) in which the issuance and/or delivery of the Paladin Shares pursuant to the Arrangement to such Shareholder would be contrary to applicable Law or otherwise subject to any prospectus, registration, disclosure, regulatory filing or other similar requirement under applicable Law; for greater certainty, no Shareholder who is, or appears to Paladin and the Purchaser to be, a resident of Canada, the United States, the United Kingdom or China, is an Ineligible Shareholder;

“Interim Order” means the interim order made after the application to the Court pursuant to Section 192 of the CBCA in form and substance acceptable to the Company, the Purchaser and Paladin, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as the same may be amended, modified, supplemented or varied by the Court with the consent of the Company the Purchaser and Paladin, each acting reasonably;

“Law” or **“Laws”** means all laws, statutes, treaties, conventions, codes, ordinances (including zoning), decrees, rules, regulations, by-laws, notices, judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, settlements, writs, assessments, arbitration awards, rulings, determinations or awards, decrees or policies, guidelines, protocols or other requirements of any

Governmental Entity having the force of law and any legal requirements arising under the common law or principles of law or equity, and, for greater certainty, includes Canadian Securities Laws and Australian Securities Laws, and the term “**applicable**” with respect to such Laws and, in the context that refers to one or more Persons, means such Laws as are applicable at the relevant time or times to such Persons or its business, undertaking, property, property or securities and emanate from a Governmental Entity having jurisdiction over such person or its business, undertaking, property or securities;

“**Letter of Transmittal**” means the Letter of Transmittal, in a form reasonably satisfactory to the Purchaser and Paladin, to be delivered by the Company to Shareholders for use in connection with the Arrangement;

“**Liens**” means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, statutory or deemed trusts, encumbrances and adverse rights or claims, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

“**Offer Price**” means \$1.30;

“**Option Consideration**” means, for each Option, the number of Paladin Shares (rounded down to the nearest whole number) equal to (a) the Exercise Price Differential in respect of such Option divided by the Offer Price, multiplied by (b) the Exchange Ratio;

“**Option Plan**” means the Company’s amended and restated Option Plan dated December 15, 2016, and last approved by Shareholders on June 28, 2022;

“**Optionholders**” means, at any time, holders of Options;

“**Options**” means the outstanding options exercisable to acquire Common Shares issued pursuant to or governed by the Option Plan;

“**OTCQX**” means OTCQX International exchange operated by OTC Markets Group Inc.;

“**Paladin**” means Paladin Energy Ltd., a corporation incorporated under the laws of Australia;

“**Paladin Shares**” means fully paid ordinary shares in the capital of Paladin;

“**Person**” includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status;

“**Plan of Arrangement**” means this plan of arrangement, as amended, modified or supplemented from time to time in accordance with the Arrangement Agreement, Article 6 hereof or at the direction of the Court in the Final Order, with the consent of the Company, Paladin and the Purchaser, each acting reasonably;

“**Purchaser**” means 1000927136 Ontario Inc., a corporation existing under the laws of the Province of Ontario;

“**Sale Agent**” means the agent nominated by the Purchaser to sell or facilitate the sale of the Sale Shares under the Sale Facility;

“**Sale Facility**” means the facility to be established by Paladin or the Purchaser and managed by the Sale Agent under which the Sale Shares shall be sold on the ASX or TSX;

“**Sale Facility Proceeds**” means, for each Sale Share, the net proceeds from the sale of such Sale Share pursuant to the Sale Facility (less any applicable brokerage fees, selling costs, charges, after withholding or deducting any applicable Taxes, and subject to rounding to the nearest whole cent and any applicable foreign exchange conversion);

“**Sale Shares**” has the meaning set forth in Section 5.1(b)(ii)(A);

“**Securities Act**” means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder;

“**Securityholders**” means, at any time, the Shareholders and the Optionholders;

“**Share Consideration**” means, for each Common Share held by a Shareholder that is not an Ineligible Shareholder, 0.1076 of a Paladin Share;

“**Shareholders**” means, at any time, the holders of Common Shares;

“**Tax Act**” means the *Income Tax Act* (Canada);

“**TSX**” means the Toronto Stock Exchange; and

“**U.S. Securities Act**” means the *United States Securities Act of 1933*, as amended, and the rules and regulations promulgated thereunder.

Words and phrases used herein that are defined in the Arrangement Agreement and not defined herein shall have the same meaning herein as in the Arrangement Agreement, unless the context otherwise requires.

1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into Articles, Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Plan of Arrangement. Unless the contrary intention appears, references in this Plan of Arrangement to an Article, Section, subsection or paragraph by number or letter or both refer to the Article, Section, subsection or paragraph, respectively, bearing that designation in this Plan of Arrangement.

1.3 Number and Gender

In this Plan of Arrangement, unless the contrary intention appears, words importing the singular include the plural and vice versa, and words importing gender shall include all genders.

1.4 Date for any Action

If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.5 Currency

Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada. As used herein, "\$" refers to Canadian dollars.

1.6 Statutes

Any reference to a statute refers to such statute and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

ARTICLE 2 EFFECT OF ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to and subject to the provisions of and forms a part of the Arrangement Agreement. If there is any inconsistency or conflict between the provisions of this Plan of Arrangement and the provisions of the Arrangement Agreement, the provisions of this Plan of Arrangement shall govern.

2.2 Binding Effect

At the Effective Time, this Plan of Arrangement and the Arrangement shall become effective and be binding upon the Company, the Purchaser, Paladin, the Depositary and all registered and beneficial Securityholders, including Dissenting Shareholders.

ARTICLE 3 ARRANGEMENT

3.1 Arrangement

Commencing at the Effective Time, in five minute increments each of the following events shall occur and shall be deemed to occur consecutively in the following order, except where noted, without any further authorization, act or formality:

- (a) Each Dissent Share held by a Dissenting Shareholder shall be, and shall be deemed to be, transferred and assigned by the holder thereof (free and clear of all Liens) to the Company for a debt claim against the Company (to be settled by the Company)

with its own available funds on hand and not funds directly or indirectly provided by Paladin, the Purchaser or any affiliate of Paladin) for the amount therefor determined under Article 4, subject to Section 5.3, and:

- (i) the name of such Dissenting Shareholder shall be removed from the register of the Common Shares maintained by or on behalf of the Company and such Dissent Share shall be cancelled and cease to be outstanding;
 - (ii) such Dissenting Shareholder shall cease to be the holder of such Dissent Share or to have any rights as a Shareholder other than the right to be paid the fair value for such Dissent Share as set out in Article 4; and
 - (iii) such Dissenting Shareholder shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign such Dissent Shares to the Company.
- (b) Each Common Share that is outstanding immediately prior to the Effective Time (other than Common Shares in respect of which Dissent Rights have been validly exercised and not withdrawn) shall be, and shall be deemed to be, transferred and assigned by the holder thereof to the Purchaser (free and clear of any Liens) in exchange for the applicable Consideration, subject to Sections 3.3, 5.1 and 5.3, and:
- (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Common Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of the Common Shares maintained by or on behalf of the Company;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Common Share; and
 - (iii) the Purchaser shall be, and shall be deemed to be, the transferee and the legal and beneficial holder of each such Common Share (free and clear of all Liens) and shall be recorded as the registered holder of each such Common Share in the register of the Common Shares maintained by or on behalf of the Company.
- (c) Notwithstanding any vesting, exercise or other provisions to which an Option might otherwise be subject (whether by contract, the conditions of a grant, applicable Law, the terms of the Option Plan or otherwise), each Option that is outstanding immediately prior to the Effective Time, whether vested or unvested, shall be deemed to be vested to the fullest extent and shall be, and shall be deemed to be, transferred and assigned by the holder thereof to the Purchaser in exchange for the Option Consideration (net of applicable withholdings pursuant to Section 5.3) and such Option shall thereafter immediately be cancelled, and:

- (i) the Option Plan, all Option grant agreements and all documents or instruments evidencing Options immediately prior to the Effective Time, shall be terminated and shall be of no further force or effect, and from and following the Effective Time none of the Company nor Paladin nor the Purchaser shall have any obligation under, or liability to any person with respect to, the Option Plan, any Option grant agreements or any documents or instruments evidencing Options immediately prior to the Effective Time, other than the obligation to deliver the Option Consideration to former Optionholders in accordance with this Section 3.1(c); and
- (ii) the holder of such Option immediately prior to the Effective Time shall:
 - (A) cease to be the holder thereof and the name of such holder shall be removed from the register of the Options maintained by or on behalf of the Company;
 - (B) be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to exchange such Option for the Option Consideration; and
 - (C) be, and shall be deemed to be, the transferee and the legal and beneficial holder of each Paladin Share comprising the Option Consideration (free and clear of all Liens) and shall be recorded as the registered holder of each such Paladin Share in the register of the Paladin Shares maintained by or on behalf of Paladin.

3.2 Post Effective Time Procedures

The events provided for in Section 3.1 will be deemed to occur on the Effective Date, notwithstanding that certain procedures related thereto may not be completed until after the Effective Date.

All calculations and determinations by Paladin, the Purchaser, the Company or the Depositary, as applicable, for the purposes of this Plan of Arrangement shall be conclusive, final and binding.

3.3 No Fractional Shares

In no event shall any former Shareholder or former Optionholder be entitled to a fractional Paladin Share. Where the aggregate number of Paladin Shares to be issued to a former Shareholder or former Optionholder under or as a result of this Arrangement would result in a fraction of a Paladin Share being issuable, the number of Paladin Shares to be received by such former Shareholder or former Optionholder shall be rounded down to the nearest whole Paladin Share and such former Shareholder or former Optionholder shall not be entitled to any compensation in respect of a fractional Paladin Share.

3.4 U.S. Securities Act Exemption

Notwithstanding any provision herein to the contrary, the Purchaser, Paladin and the Company agree that this Plan of Arrangement will be carried out with the intention that all Paladin Shares issued on completion of this Plan of Arrangement will be issued by Paladin in reliance on the exemption from the registration requirements of the U.S. Securities Act as provided by Section 3(a)(10) thereof.

ARTICLE 4 DISSENT RIGHTS

4.1 Dissent Rights

- (a) In connection with the Arrangement, each registered holder of Common Shares as of the record date of the Company Meeting may exercise rights of dissent (“**Dissent Rights**”) in connection with the Arrangement pursuant to and in the manner set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and this Section 4.1; provided that, notwithstanding anything to the contrary contained in Part XV of the CBCA, the written objection to the Arrangement Resolution contemplated by Section 190(5) of the CBCA must be received by the Company not later than 5:00 p.m. (Vancouver time) two Business Days immediately preceding the date of the Company Meeting or any date to which the Company Meeting may be postponed or adjourned from time to time, and provided that such written objection must otherwise comply with the requirements of the CBCA. Dissenting Shareholders who duly and validly exercise such Dissent Rights shall be deemed to have irrevocably transferred and assigned their Common Shares to the Company (free and clear of any Liens) 3.1(a), without any further action or formality (other than the right to be paid fair value as set out in this Section 4.1), and if they:
- (i) are ultimately entitled to be paid by the Company the fair value for their Dissent Shares shall: (A) be deemed to not to have participated in the transactions in Article 3 (other than Section 3.1(a)), (B) will be entitled to be paid the fair value of such Dissent Shares by the Company, which fair value, notwithstanding anything to the contrary contained in the CBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted at the Company Meeting; and (C) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Common Shares; or
 - (ii) are ultimately not entitled, for any reason, to be paid by the Company the fair value for their Dissent Shares, shall be deemed to have participated in the Arrangement in respect of those Common Shares on the same basis as a non-dissenting Shareholder and shall be entitled to receive only the Consideration contemplated by Section 3.1(b) that such Dissenting

Shareholder would have received pursuant to the Arrangement if such Dissenting Shareholder had not exercised their Dissent Rights.

- (b) In no circumstances shall Paladin, Purchaser, the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of Common Shares in respect of which Dissent Rights are purported to be exercised.
- (c) In no circumstances shall Paladin, the Purchaser, the Company or any other Person be required to recognize a Dissenting Shareholder as a registered or beneficial holder of Common Shares or any interest therein (other than the rights set out in this Section 4.1) at or after the Effective Time, and as at the Effective Time the names of such Dissenting Shareholders shall be deleted from the central securities register of the Company to reflect that such former holder of Common Shares is no longer the holder of such Common Shares or entitled to any related rights thereto as and from the completion of the steps in Section 3.1(a).
- (d) For greater certainty, in addition to any other restrictions in the Interim Order and under Section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (i) Shareholders who vote or have instructed a proxyholder to vote such Common Shares in favour of the Arrangement Resolution (but only in respect of such Common Shares); (ii) Optionholders; and (iii) any other Person who is not a registered holder of Common Shares as of the record date for the Company Meeting.

ARTICLE 5 DELIVERY OF CONSIDERATION

5.1 Payment of Consideration

- (a) Following receipt of the Final Order and, in any event not later than the Business Day immediately prior to the Effective Date, the Purchaser shall deliver or arrange to be delivered to the Depositary in escrow sufficient Paladin Shares to satisfy (i) the aggregate Consideration payable to the Shareholders in accordance with Section 3.1(b) and (ii) the aggregate Option Consideration payable to the Optionholders in accordance with Section 3.1(c), which Paladin Shares shall be held by the Depositary as agent and nominee for such former Shareholders and former Optionholders for distribution to such former Shareholders and former Optionholders or delivery to the Sale Agent, as applicable, in accordance with the provisions of this Article 5.
- (b) As soon as reasonably practicable following the later of the Effective Date and the delivery to the Depositary by a former Shareholder (other than a Dissenting Shareholder) of a duly completed and executed Letter of Transmittal together with the certificate or certificates (if any) that immediately prior to the Effective Time represented one or more Common Shares that were transferred pursuant to Section

3.1(b) and such additional documents and instruments as the Depositary may reasonably require:

- (i) where the registered holder of such Common Shares that were transferred pursuant to Section 3.1(b) is not an Ineligible Shareholder (as determined by Paladin and the Purchaser in their sole discretion), such Shareholder shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such Shareholder, the Share Consideration that such Shareholder has the right to receive under the Arrangement in accordance with such Shareholder's duly completed and executed Letter of Transmittal, less any amounts withheld pursuant to Section 5.3; or
- (ii) where the registered holder of such Common Shares that were transferred pursuant to Section 3.1(b) is an Ineligible Shareholder (as determined by Paladin and the Purchaser in their sole discretion), such Ineligible Shareholder shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such Ineligible Shareholder, the Sale Facility Proceeds that such Ineligible Shareholder has the right to receive under the Arrangement, less any amounts withheld pursuant to Section 5.3, in accordance with this Section 5.1(b)(ii):
 - (A) for each Common Share held by such Ineligible Shareholder immediately prior to the Effective Time, the Depositary shall deliver to the Sale Agent (or a nominee as directed by Paladin or the Purchaser), on behalf of such Ineligible Shareholder, a number of Paladin Shares equal to the Exchange Ratio (each such Paladin Share a "Sale Share");
 - (B) the Sale Agent shall sell the Sale Shares in the normal course of trading on the ASX or TSX (as the Sale Agent may determine in its sole discretion) in the manner, on the terms, and at such prices as the Sale Agent determines (in its sole discretion) to be appropriate in the circumstances for the benefit, and at the risk, of the Ineligible Shareholder, provided that none of Paladin, the Purchaser, the Company, the Sale Agent, the Depositary or any other Shareholder will be liable for any loss arising out of or in connection with the sale of the Sale Shares pursuant to the Sale Facility;
 - (C) following the sale of the Sale Shares pursuant to the Sale Facility, the Sale Agent shall deliver the aggregate Sale Facility Proceeds to the Depositary; and
 - (D) upon receipt of the Sale Facility Proceeds, the Depositary shall deliver to the Ineligible Shareholder, in accordance with such Ineligible Shareholder's duly completed and executed Letter of Transmittal, a cheque or wire transfer representing such Ineligible Shareholder's pro rata portion (based on the number of Sale Shares

attributable to such Ineligible Shareholder pursuant to Section 5.1(b)(ii)(A) relative to the total number of Sale Shares sold pursuant to the Sale Facility at the relevant time) of the aggregate Sale Facility Proceeds.

- (c) As soon as reasonably practicable following the later of the Effective Date, each Optionholder shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such Optionholder, the Option Consideration that such Optionholder has the right to receive under the Arrangement, less any amounts withheld pursuant to Section 5.3.
- (d) In no event shall the Depositary deliver to any Ineligible Shareholder, nor shall any Ineligible Shareholder have any right to receive, the Share Consideration.
- (e) Any certificate or certificates that immediately prior to the Effective Time represented one or more Common Shares surrendered pursuant to Section 5.1(b) shall forthwith be cancelled.
- (f) After the Effective Time and until surrendered for cancellation as contemplated by Section 5.1(b), each certificate that immediately prior to the Effective Time represented one or more Common Shares (other than Common Shares in respect of which Dissent Rights have been validly exercised and not withdrawn) shall be deemed at all times to represent only the right to receive in exchange therefor the applicable Consideration that the holder of such certificate is entitled to receive in accordance with Section 3.1 and 5.1(b), less any amounts withheld pursuant to Section 5.3.
- (g) Following the Effective Time, no holder of Common Shares or Options shall be entitled to receive any consideration or entitlement with respect to such Common Shares or Options, other than any consideration or entitlement to which such holder is entitled to receive in accordance with Section 3.1, this Section 5.1, and the other terms of this Plan of Arrangement, in each case subject to Section 5.3 hereof, and for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith, other than any declared but unpaid dividends in accordance with Section 5.4 hereof.

5.2 Lost Certificates

- (a) In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred pursuant to Section 3.1(b) shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will deliver in exchange for such lost, stolen or destroyed certificate, the applicable Consideration in accordance with such holder's duly completed and executed Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such Consideration is to be delivered shall as a condition precedent to the

delivery of such Consideration give a bond satisfactory to Paladin, the Purchaser and the Depositary (acting reasonably) in such sum as Paladin and the Purchaser may direct, or otherwise indemnify Paladin, the Purchaser and the Company in a manner satisfactory to Paladin, the Purchaser and the Company, acting reasonably, against any claim that may be made against Paladin, the Purchaser and the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

5.3 Withholding Rights

The Company, the Purchaser, Paladin and the Depositary shall be entitled to deduct or withhold from any consideration or amount otherwise payable or deliverable to any Securityholder (including Shareholders that have exercised Dissent Rights) under this Plan of Arrangement (including, without limitation, any amounts payable pursuant to Article 4 thereof), such amounts as the Company, the Purchaser, Paladin or the Depositary, as the case may be, may reasonably determine is required to be deducted and withheld with respect to such payment under any provision of Laws in respect of Taxes. To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated for all purposes hereof as having been paid to the Securityholder, in respect of which such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Entity. To the extent that the amount so required to be deducted or withheld from any payment to a former Securityholder exceeds the cash component, if any, of the consideration otherwise payable to such Securityholder pursuant to this Plan of Arrangement, the Purchaser, Paladin and the Depositary are hereby authorized to sell or otherwise dispose of such portion of the Paladin Shares issuable to such Securityholder under this Plan of Arrangement as is necessary to provide sufficient funds to the Company, the Purchaser, Paladin or the Depositary, as the case may be, to enable it to comply with such deduction or withholding requirement, and the Purchaser, Paladin or the Depositary shall: (a) notify such Securityholder thereof; (b) remit the applicable portion of the net proceeds of such sale of Paladin Shares (after deduction of all fees, commissions or costs in respect of such sale) to the appropriate Governmental Entity in satisfaction of such deduction or withholding requirement; and (c) deliver to such Securityholder any unapplied balance of the net proceeds of such sale of Paladin Shares remaining after making the remittance in (b). Any sale of Paladin Shares pursuant to this Section 5.3 will be made at prevailing market prices and none of the Company, the Purchaser, Paladin or the Depositary shall be under any obligation to obtain or indemnify any Securityholder in respect of a particular price for the Paladin Shares so sold.

5.4 Distributions with respect to Unsurrendered Share Certificates

No dividend or other distribution declared or made after the Effective Time with respect to Paladin Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Common Shares that were transferred pursuant to Section 3.1(b) unless and until the holder of such certificate shall have complied with the provisions of Section 5.1 or Section 5.2. Subject to applicable Law and to Section 5.3, at the time of such compliance, there shall, in addition to the delivery of Consideration to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such Paladin Shares.

5.5 Limitation and Proscription

To the extent that a former Securityholder shall not have complied with the provisions of Section 5.1 or Section 5.2 on or before the date that is six years after the Effective Date (the “**Final Proscription Date**”), then: (a) the Consideration or Option Consideration, as applicable, that such former Securityholder was entitled to receive pursuant to this Plan of Arrangement shall be deemed to be surrendered and forfeited to the Purchaser and any interest of such former Securityholder in the Consideration or Option Consideration, as applicable, shall be terminated, without any further authorization, act or formality; (b) the Paladin Shares that form the Consideration or Option Consideration, as applicable, shall be automatically cancelled without any repayment of capital in respect thereof; (c) the Consideration or Option Consideration, as applicable, to which such former Securityholder was entitled shall be delivered to the Purchaser by the Depository; and (d) the interest of the former Securityholder in the Consideration or Option Consideration, as applicable, (and any dividend or other distribution referred to in Section 5.4) to which it was entitled shall be terminated as of such Final Proscription Date, and the certificates (if any) formerly representing Common Shares shall cease to represent a right or claim of any kind or nature as of such Final Proscription Date. Any payment made by way of cheque by the Depository pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depository or that otherwise remains unclaimed, in each case, on or before the Final Proscription Date shall cease to represent a right or claim of any kind or nature and the right of any former Securityholder to receive the Consideration or Option Consideration, as applicable, pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser.

5.6 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

5.7 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Common Shares and Options issued prior to the Effective Time; (b) the rights and obligations of the Securityholders and of the Company, Paladin, the Purchaser, the Depository, the Sale Agent, and any transfer agent or other depository in relation thereto, shall be solely as provided for in this Plan of Arrangement and the Arrangement Agreement; and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Common Shares or Options, shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ARTICLE 6 AMENDMENTS

6.1 Amendments

- (a) Paladin, the Purchaser, and the Company reserve the right to amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that any such amendment, modification or supplement

must be agreed to in writing by each of the Company, the Purchaser and Paladin and filed with the Court, and, if made following the Company Meeting, then: (i) approved by the Court; and (ii) if the Court directs, approved by the Shareholders and communicated to the Securityholders if and as required by the Court, and in either case in the manner required by the Court.

- (b) Subject to the provisions of the Interim Order, any amendment, modification or supplement to this Plan of Arrangement, if agreed to by the Company, the Purchaser and Paladin, may be proposed by the Company, the Purchaser and Paladin at any time prior to or at the Company Meeting, with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Company Meeting shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Company Meeting will be effective only if it is agreed to in writing by each of the Company and Paladin and, if required by the Court, by some or all of the Shareholders voting in the manner directed by the Court.
- (d) Any amendment, modification or supplement to this Plan of Arrangement may be made by the Company, the Purchaser and Paladin without the approval of or communication to the Court or the Securityholders, provided that it concerns a matter which, in the reasonable opinion of the Company, the Purchaser and Paladin is of an administrative or ministerial nature required to better give effect to the implementation of this Plan of Arrangement and is not materially adverse to the financial or economic interests of any of the Securityholders.
- (e) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the Arrangement Agreement.

ARTICLE 7 FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

**APPENDIX C
INTERIM ORDER**

See attached.



No. S244758
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE
CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, C. 44, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
FISSION URANIUM CORP.,
PALADIN ENERGY LTD. AND 1000927136 ONTARIO INC.

FISSION URANIUM CORP.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE Associate Judge) July 19, 2024
Hughes }
)

ON THE APPLICATION of the Petitioner, Fission Uranium Corp. ("**Fission**") for an Interim Order pursuant to its Petition filed on July 17, 2024.

[x] without notice coming on for hearing at Vancouver, British Columbia on July 19, 2024 and on hearing Alexandra Luchenko, counsel to Fission and upon reading the Petition herein, the Affidavit #1 of Chris Sammartino sworn on July 17, 2024 and the Affidavit #1 of Joanne Austen, both filed herein; and upon being advised that it is the intention of Paladin Energy Ltd. ("**Paladin**") and 1000927136 Ontario Inc. to rely upon Section 3(a)(10) of the United States *Securities Act of 1933*, as amended (the "**1933 Act**") as a basis for an exemption from the registration requirements of the 1933 Act with respect to common shares of Paladin to be issued pursuant to the Arrangement based on the Court's approval of the Arrangement, as such term is defined in this Interim Order;

THIS COURT ORDERS THAT:

DEFINITIONS

1. As used in this Interim Order, unless otherwise defined, terms beginning with capital letters have the respective meanings set out in the draft Notice of Special Meeting of

Fission Securityholders and Management Information Circular dated July 19, 2024, (collectively, the “**Circular**”) attached as Exhibit “A” to the Affidavit #1 of Chris Sammartino sworn on July 17, 2024 (the “**Sammartino Affidavit**”).

SPECIAL MEETING

2. Pursuant to Section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 as amended (the “**CBCA**”), Fission is authorized and directed to call, hold and conduct a special meeting (the “**Meeting**”) of the holders of common shares of Fission (the “**Fission Shares**” the holders of which are the “**Fission Shareholders**”) and the holders of options to purchase Fission Shares (the “**Fission Options**”, the holders of which are the “**Fission Optionholders**” and with the Fission Shareholders, the “**Fission Securityholders**”) to be held at 10:00 a.m. (Vancouver Time) on August 26, 2024 at Suite 3500, 1133 Melville Street, The Stack, Vancouver, British Columbia, V6E 4E5, and described in the Circular to:

- (a) consider and, if thought advisable, to pass a special resolution (the “**Arrangement Resolution**”) to approve an arrangement (the “**Arrangement**”) on the terms and subject to the conditions set out in a plan of arrangement (the “**Plan of Arrangement**”) as more particularly described in the Circular and substantially in the form attached as Appendix “A” to the Circular; and
- (b) transact such other business as may properly come before the Meeting or any adjournment thereof.

3. The Meeting shall be called, held and conducted in accordance with the CBCA, the Circular and the articles and by-laws of Fission, subject to the terms of this Interim Order, and any further Order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order.

ADJOURNMENT

4. Notwithstanding the articles and by-laws of Fission and the provisions of the CBCA, prior to the Meeting, Fission, if it deems it advisable, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Fission Securityholders respecting the adjournment or postponement and without the need for approval of the Court. Notice of any such adjournments or postponements shall be given by press release, news release, newspaper advertisement, or

by notice sent to the Fission Securityholders by one of the methods specified in paragraph 9 of this Interim Order.

5. The Record Date (as defined in paragraph 7 below) shall not change in respect of adjournments or postponements of the Meeting.

AMENDMENTS

6. Prior to the Meeting, Fission is authorized to make such amendments, revisions or supplements to the Arrangement and the Plan of Arrangement in accordance with the Arrangement Agreement without any additional notice to the Fission Securityholders, and the Arrangement and the Plan of Arrangement as so amended, revised and supplemented shall be the Arrangement and Plan of Arrangement submitted to the Meeting, and the subject of the Arrangement Resolution.

RECORD DATE

7. The record date for determining the Fission Securityholders entitled to receive notice of, attend and vote at the Meeting shall be July 19, 2024 (the "**Record Date**"), or such other date as the board of directors of Fission (the "**Board**") may determine and as disclosed to the Fission Securityholders in the manner they see fit.

NOTICE OF SPECIAL MEETING

8. The Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of Section 192 of the CBCA, and Fission shall not be required to send to the Fission Securityholders any other or additional statement pursuant to Section 192 of the CBCA.

9. The Circular, form of proxy and letter of transmittal, and a copy of the Notice of Hearing of Petition (collectively, the "**Meeting Materials**") in substantially the same form as contained in Exhibits "A", "B" and "C" to the Sammartino Affidavit, with such deletions, amendments or additions thereto as counsel for the Petitioner may advise are necessary or desirable, provided that such deletions, amendments or additions are not inconsistent with the terms of this Interim Order, shall be sent to:

- (a) the registered Fission Shareholders and the Fission Optionholders, as they appear on the central securities register or other applicable register of Fission or the

records of its registrar and transfer agent as at the close of business on the Record Date, such Meeting Materials to be sent at least twenty-one (21) days prior to the date of the Meeting (excluding the date of mailing, delivery or transmittal and the date of the Meeting) by one or more of the following methods:

- (i) by prepaid ordinary or air mail addressed to such Fission Securityholder at his, her or its address as it appears on the applicable securities registers of Fission as at the Record Date;
 - (ii) by delivery in person to the addressee specified in paragraph 9 (a)(i) above;
or
 - (iii) by email or facsimile transmission to such Fission Securityholder who identifies himself, herself or itself to the satisfaction of Fission, acting through its representatives, who requests such email or facsimile transmission and then in accordance with such request;
- (b) the non-registered Fission Shareholders, by providing copies of the Meeting Materials to intermediaries and registered nominees for sending to both non-objecting beneficial owners and objecting beneficial owners in accordance with National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators at least three (3) Business Days prior to the twenty-first (21st) day prior to the date of the Meeting;
 - (c) the directors and auditors of Fission by sending the Meeting Materials by prepaid ordinary mail, or by email or facsimile transmission, to such persons at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or transmittal and the date of the Meeting; and
 - (d) the Director appointed pursuant to the CBCA, by prepaid ordinary mail, or by email or facsimile transmission at least twenty-one (21) days prior to the date of the Meeting;

and substantial compliance with this paragraph shall constitute good and sufficient notice of the Meeting and Fission's application for the Final Order. Fission is at liberty to give notice of the

Meeting and these proceedings to persons outside the jurisdiction of this Honourable Court in the manner specified herein.

10. Accidental failure of, or omission, or delay by Fission to give notice to any one or more Fission Securityholder, or the non-receipt of such notice by one or more Fission Securityholders, or delay, shall not constitute a breach of this Interim Order and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Fission then it shall use reasonable best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

DEEMED RECEIPT OF NOTICE

11. The Meeting Materials and shall be deemed, for the purposes of this Order, to have been received:

- (a) in the case of mailing, the day, Saturdays, Sundays and holidays excepted, following the date of mailing;
- (b) in the case of delivery in person, the day following personal delivery or the day following delivery to the person's address in paragraph 9 above; and
- (c) in the case of any means of transmitted, recorded or electronic communication, when dispatched or delivered for dispatch.

UPDATING MEETING MATERIALS

12. Notice of any amendments, updates or supplement to any of the information provided in the Meeting Materials may be communicated to the Fission Securityholders by press release, news release, newspaper advertisement or by notice sent to the Fission Securityholders by any of the means set forth in paragraph 9 herein, as determined to be the most appropriate method of communication by the Board.

QUORUM AND VOTING

13. As set forth in the articles and by-laws of Fission, the quorum required at the Meeting shall be two individuals present in person, each being a Fission Shareholder entitled to vote thereat or a duly appointed proxyholder or representative for a Fission Shareholder so

entitled, holding or representing by proxy not less than 25% of the votes entitled to be cast at the Meeting.

14. The vote required to pass the Arrangement Resolution at the Meeting shall be the affirmative vote of at least:

- (a) 66^{2/3}% of the votes cast on the Arrangement Resolution by Fission Shareholders present in person or represented by proxy and entitled to vote at the Meeting, voting together as a single class on the basis of one vote per Fission Share held;
- (b) 66^{2/3}% of the votes cast on the Arrangement Resolution by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting, voting together as a single class on the basis of one vote per Fission Share or Fission Option held; and
- (c) a simple majority of votes attached to Fission Shares and Fission Options held by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting excluding those votes attached to Fission Shares or Fission Options held or controlled by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, voting together as a single class on the basis of one vote per Fission Share or Fission Option held.

15. For the purpose of counting votes respecting the Arrangement Resolution, any spoiled votes, illegible votes, defective votes and abstentions shall be deemed to be votes not cast and the Fission Share or Fission Option represented by such spoiled votes, illegible votes, defective votes or abstentions not be counted in determining the number of Fission Shares or Fission Options represented at the Meeting. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

16. A representative of Fission who attends the Meeting shall file in due course with the Court an affidavit verifying the actions taken and the decisions reached by the Fission Securityholders at the Meeting with respect to the Plan of Arrangement.

17. In all other respects, the terms, restrictions and conditions of the articles and by-laws of Fission will apply in respect of the Meeting.

PERMITTED ATTENDEES

18. The only persons entitled to attend the Meeting shall be the (i) registered Fission Shareholders and the Fission Optionholders, or their respective proxyholders, as of the Record Date; (ii) Fission's directors, officers, auditors, advisors; and (iii) any other person admitted on the invitation of the Chair or with the consent of the Meeting, and the only persons entitled to be represented and to vote at the Meeting shall be the registered Fission Shareholders, the Fission Optionholders, or their respective proxyholders, as at the close of business on the Record Date.

SCRUTINEERS

19. A representative of Fission's registrar and transfer agent (or any agent thereof) is authorized to act as scrutineer for the Meeting.

SOLICITATION OF PROXIES

20. Fission is authorized to use the form of proxy in connection with the Meeting in substantially the same form as attached as Exhibit "B" to the Sammartino Affidavit and Fission may in its discretion waive generally the time limits for deposit of proxies by Fission Securityholders if the Chair deems it reasonable to do so. Fission is authorized, at its expense, to solicit proxies, directly and through its officers, directors and employees, and through such agents or representatives as it may retain for the purpose, and by mail or such other forms of personal or electronic communication as determined to be appropriate by the Board.

21. The procedure for the use of proxies at the Meeting shall be as set out in the Meeting Materials.

DISSENT RIGHTS

22. Each registered Fission Shareholder shall have the right to dissent in respect of the Arrangement Resolution in accordance with the provisions of Section 190 of the CBCA, as modified by the terms of this Interim Order, the Plan of Arrangement, and the Final Order (the "Dissent Rights").

23. In order for a Fission Shareholder to exercise such Dissent Rights:

- (a) notwithstanding section 190(5) of the CBCA, a dissenting Fission Shareholder shall deliver a written objection to Fission c/o Blake, Cassels & Graydon LLP, 3500

– 1133 Melville Street, Vancouver, BC V6E 4E5, Attention: Alexandra Luchenko, or by email to alexandra.luchenko@blakes.com, not later than 5:00 p.m. (Vancouver Time) on August 22, 2024, or two business days prior to any postponed or adjourned Meeting;

- (b) a dissenting Fission Shareholder shall not have voted his, her or its Fission Shares at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution;
- (c) a vote against the Arrangement Resolution or an abstention shall not constitute the written objection required under subparagraph (a);
- (d) a dissenting Fission Shareholder shall have been a registered Fission Shareholder as of the Record Date of the Meeting and as of the deadline for exercising the Dissent Rights;
- (e) a dissenting Fission Shareholder must dissent with respect to all of the Fission Shares held by such person; and
- (f) the exercise of the Dissent Rights must otherwise comply with the requirements of Section 190 of the CBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order.

24. Subject to further order of this Court, the rights available to the Fission Shareholders under the CBCA and the Arrangement to dissent from the Arrangement shall constitute full and sufficient rights of dissent for the Fission Shareholders with respect to the Arrangement.

25. Notice to the Fission Shareholders of the Dissent Rights with respect to the Arrangement Resolution and to receive the fair value of their Fission Shares, subject to the provisions of the CBCA, as modified by this Interim Order, the Plan of Arrangement, and the Final Order, shall be given by including information with respect to the Dissent Rights in the Circular to be sent to Fission Shareholders in accordance with this Interim Order.

APPLICATION FOR FINAL ORDER

26. Upon the approval, with or without variation, by the Fission Securityholders of the Arrangement, in the manner set forth in this Interim Order, Fission may apply to this Court for, *inter alia*, an Order:

- (a) pursuant to CBCA Section 192(4)(e) approving the Arrangement; and
- (b) pursuant to CBCA Section 192(4)(e) declaring that the terms and conditions of the Arrangement are procedurally and substantively fair and reasonable to the Fission Securityholders;

(collectively, the “**Final Order**”)

and the hearing of the Final Order will be held on August 29, 2024 at 9:45 a.m. (Vancouver time) at the Courthouse at 800 Smithe Street, Vancouver, British Columbia or as soon thereafter as the hearing of the Final Order can be heard or at such other date and time as this Court may direct.

27. The form of Notice of Hearing of Petition is hereby approved as the form of Notice of Proceedings for such approval. Any Fission Securityholder, creditor of Fission, or any other interested person has the right to appear (either in person or by counsel) and make submissions at the hearing of the application for the Final Order.

28. Any Fission Securityholder, creditor of Fission, or any other interested person seeking to appear at the hearing of the application for the Final Order shall:

- (a) file and deliver a Response in the form prescribed by the *Rules of Court*, and a copy of all materials upon which they intend to rely, to the Petitioner’s solicitors at:

Blake, Cassels & Graydon LLP
Barristers and Solicitors
1133 Melville Street
Suite 3500, The Stack
Vancouver, BC V6E 4E5
Attention: Alexandra Luchenko

by or before 4:00 p.m. (Vancouver Time) on August 27, 2024, or as the Court may otherwise direct.

29. Sending the Notice of Hearing of Petition and this Interim Order in accordance with paragraph 9 of this Interim Order shall constitute good and sufficient service of this proceeding

and no other form of service need be made and no other material need be served on persons in respect of these proceedings. In particular, service of the Petition herein and the accompanying Affidavit and additional Affidavits as may be filed, is dispensed with.


30. In the event the hearing for the Final Order is adjourned, only those persons who have filed and delivered a Response in accordance with this Interim Order need be provided with notice of the adjourned hearing date and any filed materials.

VARIANCE

31. The Petitioner shall be entitled, at any time, to apply to vary this Interim Order or for such further order or orders as may be appropriate.


32. Rules 8-1 (apart from the requirement for an Application Record) and 16-1(3) and (8)-(12) of the *Supreme Court Civil Rules* are dispensed with for the purposes of any further application to be made pursuant to this Petition.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of lawyer for Petitioner
Alexandra Luchenko

BY THE COURT.



REGISTRAR

Per m
CHECKED
[initials]

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE
CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, C. 44, AS AMENDED

AND
IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
FISSION URANIUM CORP.,
PALADIN ENERGY LTD. AND 1000927136 ONTARIO INC.

FISSION URANIUM CORP.

PETITIONER

ORDER MADE AFTER APPLICATION

Alexandra Luchenko
Blake, Cassels & Graydon LLP
Barristers and Solicitors
1133 Melville Street
Suite 3500, The Stack
Vancouver, BC V6E 4E5
(604) 631-3300

Agent: Dye & Durham

APPENDIX D
PETITION AND NOTICE OF HEARING OF PETITION

See attached.



No. **SE244758**
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE
CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, C. 44, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
FISSION URANIUM CORP.,
PALADIN ENERGY LTD. AND 1000927136 ONTARIO INC.

FISSION URANIUM CORP.

PETITIONER

PETITION TO THE COURT

The address of the registry is: 800 Smithe Street, Vancouver, BC, V6Z 2E1.

The Petitioner estimates that the hearing of the petition will take 20 minutes.

This matter is not an application for judicial review.

This proceeding is brought for the relief set out in Part 1 below, by:

Fission Uranium Corp., (the petitioner)

If you intend to respond to this petition, you or your lawyer must

- (a) file a response to civil claim in Form 67 in the above-named registry of this court within the time for response to petition described below, and
- (b) serve on the petitioner
 - (i) 2 copies of the filed response to petition, and
 - (ii) 2 copies of each filed affidavit on which you intend to rely at the hearing.

Orders, including orders granting the relief claimed, may be made against you, without any further notice to you, if you fail to file the response to petition within the time for response.

Time for response to petition

A response to petition must be filed and served on the petitioner,

- (a) if you were served with the petition anywhere in Canada, within 21 days after that service,
- (b) if you were served with the petition anywhere in the United States of America, within 35 days after that service,
- (c) if you were served with the petition anywhere else, within 49 days after that service, or
- (d) if the time for response has been set by order of the court, within that time.

(1)	The ADDRESS FOR SERVICE of the petitioner is: c/o Blake, Cassels & Graydon LLP Barristers and Solicitors 1133 Melville Street Suite 3500, The Stack Vancouver, BC V6E 4E5
	Fax number address for service (if any) of the petitioner: N/A
	E-mail address for service (if any) of the petitioner: Vancouver.service@blakes.com and alexandra.luchenko@blakes.com
(2)	The name and office address of the petitioner's lawyer is: c/o Blake, Cassels & Graydon LLP Barristers and Solicitors 1133 Melville Street Suite 3500, The Stack Vancouver, BC V6E 4E5 Attention Alexandra Luchenko

CLAIM OF THE PETITIONER

Part 1: ORDERS SOUGHT

The Petitioner, Fission Uranium Corp. ("**Fission**") applies for:

1. An interim order in the form attached as Appendix "A" to this Petition (the "**Interim Order**").
2. An order (the "**Final Order**") pursuant to Section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "**CBCA**") approving an arrangement (the "**Arrangement**") more particularly described in the plan of arrangement (the "**Plan of Arrangement**") involving Fission, Paladin Energy Ltd. ("**Paladin**"), and 1000927136 Ontario Inc. (the "**Purchaser**"). The Plan of Arrangement is attached as Appendix "B" to the draft Notice of Special Meeting of Fission Securityholders and Management Information Circular

dated July 19^f, 2024, (collectively, the “**Circular**”), attached as Exhibit “A” to the Affidavit #1 of Chris Sammartino sworn on July 17, 2024 and filed herein (the “**Sammartino Affidavit**”), and a declaration that the terms and conditions of the Arrangement and the exchange of securities and cash consideration to be effected thereby are procedurally and substantively fair and reasonable to all persons entitled to receive securities or cash consideration in the exchanges; and

3. Such further and other relief as counsel for the Petitioner may advise and the Court may deem just.

Part 2: FACTUAL BASIS

DEFINITIONS

4. As used in this Petition, unless otherwise defined, terms beginning with capital letters have the respective meanings set out in the Circular attached as Exhibit “A” to the Sammartino Affidavit.

THE PETITIONER

5. Fission’s address for service for the purposes of this proceeding is at Suite 3500 – 1133 Melville Street, Vancouver, British Columbia, Canada, V6E 4E5.

6. Fission is a company incorporated under the laws of Canada, focused on uranium exploration and development. The registered and head office of Fission is at Suite 750 – 1620 Dickson Street, Kelowna, British Columbia, Canada, V1Y 9Y2.

7. The common shares in the capital of Fission (the “**Fission Shares**”) are listed for trading on the Toronto Stock Exchange (the “**TSX**”) under the symbol “FCU”, on the Frankfurt Stock Exchange under the symbol “2FU”, and in the United States on the OTCQX marketplace (the “**OTCQX**”) under the symbol “FCUUF”.

PALADIN

8. Paladin is a uranium resource issuer primarily engaged in the growth and advancement of its core asset, Langer Heinrich Mine which is a globally significant, long-life uranium operation. Beyond the Langer Heinrich Mine, Paladin also owns a large global portfolio of uranium exploration and development assets. The ordinary shares in the capital of Paladin (the “**Paladin Shares**”) are listed for trading on the Australian Securities Exchange (the “**ASX**”),

on the Namibian Stock Exchange under the symbol “PDN”, and on the OTCQX in the United States under the symbol “PALAF”. The Paladin Shares are also listed for trading on the Munich Stock Exchange, Berlin Stock Exchange, Stuttgart Stock Exchange and Frankfurt Stock Exchange.

THE PURCHASER

9. The Purchaser is a company incorporated under the laws of the province of Ontario for the purpose of consummating the Arrangement. The Purchaser is a wholly owned subsidiary of Paladin.

OVERVIEW OF THE ARRANGEMENT

10. Fission proposes, in accordance with Section 192 of the CBCA, to call, hold and conduct a special meeting on August 26, 2024 (the “**Meeting**”) of the holders of Fission Shares (the “**Fission Shareholders**”) and the holders of options to purchase Fission Shares (the “**Fission Options**”, the holders of which are the “**Fission Optionholders**” and with the Fission Shareholders, the “**Fission Securityholders**”) where at, among other things, the Fission Securityholders will be asked to consider, and if deemed advisable, pass, with or without variation, a special resolution substantially in the form attached as Appendix “A” to the Circular (the “**Arrangement Resolution**”) adopting and approving, with or without variation, the Arrangement.

11. In summary, if the Arrangement is completed, Paladin, through the Purchaser, will acquire all of the issued and outstanding Fission Shares that it does not already own in exchange for Paladin Shares; Fission will become a wholly-owned subsidiary of Paladin; the Fission Shares will be delisted from the TSX, the OTCQX and the Frankfurt Stock Exchange; and the newly issued Paladin Shares will be listed on the TSX. The TSX has conditionally approved the listing of the Paladin Shares to be issued under the Arrangement, subject to filing certain documents following the closing of the Arrangement.

12. Pursuant to the Arrangement, each Fission Shareholder (other than a dissenting Fission Shareholder or an Ineligible Shareholder, as that term is defined in paragraph 13 below) shall be entitled to receive 0.1076 of a Paladin Share for each Fission Share held immediately prior to the effective time of the Arrangement (the “**Share Consideration**”) and each Fission Option outstanding immediately prior to the effective time of the Arrangement shall be deemed to be vested and shall be transferred and assigned by the holder thereof to the Purchaser in

exchange for a number of Paladin Shares (the “**Option Consideration**”) equal to: (a) the amount by which the implied offer price of \$1.30 (the “**Offer Price**”) exceeds the exercise price payable under such Fission Option by the holder thereof to acquire one Fission Share, divided by the Offer Price, multiplied by; (b) 0.1076.

13. An “**Ineligible Shareholder**” is a Fission Shareholder who is, or appears to Paladin or the Purchaser to be, a resident of a jurisdiction (other than Canada, the United States, the United Kingdom, or China) in which the issuance and/or delivery of the Paladin Shares pursuant to the Arrangement to such Fission Shareholder would be contrary to applicable laws or otherwise subject to any prospectus, registration, disclosure, regulatory filing or other similar requirement under applicable laws. An Ineligible Shareholder will not receive the Share Consideration for their Fission Shares. Instead, the number of Paladin Shares which would otherwise have been issued to a Ineligible Shareholder in exchange for each Fission Share held will be sold by an agent nominated by Paladin or the Purchaser on the TSX or the ASX in the normal course of trading and the net proceeds from such sale (the “**Sale Facility Proceeds**”) will be remitted to such Ineligible Shareholder in accordance with the Plan of Arrangement.

14. In particular, pursuant to the Plan of Arrangement, each of the following transactions, among others, will occur in the following order commencing at the Effective Time:

- (a) Each Dissenting Share held by a Dissenting Shareholder shall be, and shall be deemed to be, transferred and assigned to Paladin in exchange for a debt claim for the fair market value of each such Dissenting Share, to be determined pursuant to Article 4 of the Plan of Arrangement, and:
 - (i) such Dissenting Shareholder shall cease to be the holder thereof;
 - (ii) the name of such Dissenting Shareholder shall be removed from the register of Fission Shares maintained by or on behalf of Fission and such Dissenting Share shall be cancelled and cease to be outstanding; and
 - (iii) such Dissenting Shareholder shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Dissenting Shares.

- (b) Each Fission Share that is outstanding immediately prior to the Effective Time (other than the Dissenting Shares) shall be, and shall be deemed to be, transferred and assigned by the holder thereof to the Purchaser in exchange for the Share Consideration or the Sale Facility Proceeds, as applicable, and:
- (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Fission Share and the name of such registered holder shall be removed from the register of Fission Shares maintained by or on behalf of Fission;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Fission Share; and
 - (iii) the Purchaser shall be, and shall be deemed to be, the transferee and legal and beneficial holder of each such Fission Share (free and clear of all liens) and shall be recorded as the registered holder of each such Fission Share in the register of Fission Shares maintained by or on behalf of Fission.
- (c) Each Fission Option (whether vested or unvested) outstanding immediately prior to Effective Time on the Effective Date shall be deemed to be vested to the fullest extent and shall be, and shall be deemed to be, transferred and assigned by the holder thereof to the Purchaser in exchange for the Option Consideration, with such Fission Option thereafter immediately being cancelled; and
- (i) the Option Plan, all Fission Option grant agreements and all documents or instruments evidencing Fission Options immediately prior to the Effective Time shall be terminated and shall be of no further force or effect. Following the Effective Time none of Fission, Paladin nor the Purchaser shall have any obligation under or liability to any person with respect to, the Option Plan, any Fission Option grant agreement or any documents or instruments evidencing Fission Options immediately prior to the Effective Time; and

- (i) the holder of such Fission Option immediately prior to the Effective Time shall:
 - A. cease to be the holder thereof and the name of such holder shall be removed from the register of the Fission Options;
 - B. be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to exchange such Fission Option for the Option Consideration; and
 - C. be, and shall be deemed to be, the transferee and the legal and beneficial holder of each Paladin Share comprising the Option Consideration and shall be recorded as the registered holder of each such Paladin Share in the register of the Paladin Shares.

BACKGROUND TO THE ARRANGEMENT

15. The terms of the Arrangement and the provisions of the Arrangement Agreement are the result of extensive arm's length negotiations conducted among representatives of Fission, Paladin, and their respective financial and legal advisors. The material meetings, negotiations and discussions between the parties preceding the execution and public announcement of the Arrangement Agreement are summarized in the Circular in the section entitled "*The Arrangement – Background to the Arrangement*".

FAIRNESS OF THE ARRANGEMENT

16. The board of directors of Fission (the "**Fission Board**") established a special committee of independent directors (the "**Special Committee**") with a mandate to review, assess, and examine strategic alternatives that could maximize value to the Fission Shareholders or that were otherwise in the best interests of Fission.

17. The Fission Board retained SCP Resource Finance LP ("**SCP**") to, among other things, deliver an opinion to the Fission Board as to whether the consideration to be received by the Fission Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Fission Shareholders.

18. The Special Committee retained Cantor Fitzgerald Canada Corporation (“**CFCC**”) to, among other things, deliver an opinion to the Fission Board and to the Special Committee, as to whether the consideration to be received by the Fission Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Fission Shareholders.

19. SCP delivered a written fairness opinion dated June 23, 2024 to the Fission Board, to the effect that, as of the date of such opinion and subject to the assumptions, limitations and qualifications contained therein, the consideration to be received by the Fission Shareholders pursuant to the Arrangement is fair, from financial point of view, to the Fission Shareholders (the “**SCP Fairness Opinion**”). A copy of the SCP Fairness Opinion is included in the Circular as Appendix “F”.

20. CFCC delivered a written fairness opinion dated June 23, 2024, to the Special Committee and to the Fission Board, to the effect that, as of the date of such opinion and subject to the assumptions, limitations and qualifications contained therein, the consideration to be received by the Fission Shareholders pursuant to the Arrangement is fair, from financial point of view, to the Fission Shareholders (the “**CFCC Fairness Opinion**”, and with the SCP Fairness Opinion, the “**Fairness Opinions**”). A copy of the CFCC Fairness Opinion is included in the Circular as Appendix “E”.

21. The Special Committee, after consultation with its professional advisors and after considering the CFCC Fairness Opinion, unanimously determined that the Arrangement and entry into the Arrangement Agreement is in the best interests of Fission and is fair to the Fission Shareholders. The Special Committee unanimously recommended to the Fission Board that the Arrangement be approved and that the Fission Board recommend that the Fission Securityholders vote in favour of the Arrangement Resolution (the “**Special Committee Recommendation**”).

22. The Fission Board, after consultation with its professional advisors, careful consideration of the terms of the Arrangement Agreement and the ancillary agreements to be entered into in connection with the Arrangement, and after considering the Fairness Opinions and the Special Committee Recommendation, determined that the consideration to be received by the Fission Shareholders pursuant to the Arrangement is fair to the Fission Shareholders and the Arrangement and the entering into of the Arrangement Agreement were in the best interests of Fission. Accordingly, the Fission Board approved the Arrangement Agreement and

recommended that the Fission Securityholders vote in favour of the Arrangement Resolution (the “**Board Recommendation**”).

23. In evaluating and approving the Arrangement, the Special Committee and the Fission Board gave careful consideration to the current position and condition and the expected and potential future position and condition of the business of Fission, and all terms of the Arrangement Agreement, including the conditions precedent, representations and warranties and deal protection provisions. The Special Committee and the Fission Board considered a number of factors including, among others, the following (not necessarily in order of relative importance):

- (a) **Attractive and Immediate Premium** – a 30% premium to Fission’s undisturbed 20-day volume-weighted average price, payable in Paladin Shares so as to enable Fission Shareholders to continue to participate in the upside of the Patterson Lake South project (“**PLS**”) and Paladin.
- (b) **Meaningful Ownership in a Global Multi-Asset Uranium Leader** – Fission Shareholders will own approximately 24.0% of the outstanding Paladin Shares immediately following completion of the Arrangement, on a fully diluted basis, which will have a pro forma market capitalization of US\$3.5 billion and a world-class production and growth pipeline.
- (c) **Diversified Portfolio with Multi-Asset Production** – If the Arrangement becomes effective, the combined company will have two projects in production by 2029 (Langer Heinrich Mine and PLS) and a pro-forma Mineral Resources of 544Mlb and Ore Reserves of 157 Mlb, representing one of the largest amongst pure-play uranium companies globally spread across tier-1 uranium jurisdictions of Canada, Namibia and Australia.
- (d) **De-risks PLS Development** – Paladin has a strong balance sheet with US\$50 million in cash and US\$125 million in available debt facilities, along with expected future cash flows from the commencement of production at the Langer Heinrich Mine, which can be leveraged to fund the development of PLS, thereby reducing dilution to Fission Shareholders. Paladin’s project delivery, uranium marketing and processing expertise will complement Fission’s technical strength, de-risking the development of PLS and maximizing value for shareholders.

- (e) **Continued Participation and Ability to Progress Development of PLS** – Fission Shareholders will continue to have exposure to PLS through their Paladin Shares following closing of the Arrangement.
- (f) **Increased International Capital Market Presence** – Opportunity to retain TSX-listed shares in a leading ASX100 growth-focused uranium company providing increased trading liquidity and an enhanced capital markets presence.
- (g) **Paladin's Commitment to Canada** – Paladin owns the Michelin Project, an advanced exploration stage uranium project in the highly prospective Central Mineral Belt of Labrador, since 2011. The re-listing of Paladin Shares on the TSX and the addition of PLS significantly grows Paladin's commitment to uranium exploration.
- (h) **Access to Near-term Cash-Flow from Langer Heinrich Mine** – Fission Shareholders will gain exposure to the globally significant Langer Heinrich Mine, where Paladin successfully recommenced commercial production on March 30, 2024. Paladin has built a high-quality contract portfolio with tier-1 utilities in the US, Europe and Asia. These internationally based utilities account for over 20% of global uranium consumption. Fission Shareholders will benefit in the near term from Paladin's contract portfolio, which is 80% exposed to uncapped market prices. Paladin also has flexible shipping arrangements and early payment terms with its largest customer, providing significant delivery flexibility and improved cash flow during the ramp-up of operations at the Langer Heinrich Mine.
- (i) **Robust and Supervised Negotiation Process** – The Arrangement is the result of a robust negotiation process that was undertaken under the supervision of the Special Committee, which was comprised entirely of independent directors, and which received advice from independent advisors throughout the process.
- (j) **CFCC Opinion** – The receipt by the Special Committee and the Fission Board of the CFCC Opinion which concluded that, as of the date of such opinion, subject to and based on the assumptions, qualifications and limitations contained therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders.

- (k) **SCP Opinion** – The receipt by the Fission Board of the SCP Opinion which concluded that, as of the date of such opinion, subject to and based on the assumptions, qualifications and limitations contained therein, the Share Consideration is fair, from a financial point of view, to the Fission Shareholders.
- (l) **Ability to Respond to Unsolicited Superior Proposals** – Subject to the terms of the Arrangement Agreement, the Board will remain able to respond to any unsolicited *bona fide* written proposal that, having regard for all of its terms and conditions, if consummated in accordance with its terms, could reasonably be expected to lead to a Superior Proposal. The amount of the termination fee payable by Fission to the Purchaser in certain circumstances, being C\$40 million, is within the range of termination fees considered reasonable for transactions of this size and nature and would not, in the view of the Board preclude a third party from making a Superior Proposal.

THE MEETING AND APPROVALS

24. The record date for determining the Fission Securityholders entitled to receive notice of, attend and vote at the Meeting will be fixed as July 19, 2024 (the “**Record Date**”).

25. In connection with the Meeting, Fission intends to send to each Fission Securityholder a copy of the following materials and documentation substantially in the form as attached as Exhibits “A” to “C” to the Sammartino Affidavit (the “**Meeting Materials**”):

- (a) the Circular which includes, among other things:
 - (i) an explanation of the effect of the Arrangement;
 - (ii) a summary of the reasons for the Board Recommendation;
 - (iii) the text of the Arrangement Resolution;
 - (iv) copies of the Fairness Opinions;
 - (v) the Plan of Arrangement;
 - (vi) a copy of the Interim Order; and
- (b) the applicable form of proxy and letter of transmittal; and

- (c) a copy of the Notice of Hearing of Petition.

26. The Meeting Materials will be sent to the Fission Securityholders not later than twenty-one (21) days before the Meeting.

27. All such documents may contain such amendments thereto as the Petitioner may advise are necessary or desirable, provided such amendments are not inconsistent with the terms of the Interim Order.

QUORUM AND VOTING

28. It is proposed that the requisite vote at the Meeting to pass the Arrangement Resolution be:

- (a) 66^{2/3}% of the votes cast on the Arrangement Resolution by Fission Shareholders present in person or represented by proxy and entitled to vote at the Meeting, voting together as a single class on the basis of one vote per Fission Share held;
- (b) 66^{2/3}% of the votes cast on the Arrangement Resolution by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting, voting together as a single class on the basis of one vote per Fission Share or Fission Option held; and
- (c) a simple majority of votes attached to Fission Shares and Fission Options held by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting, excluding those votes attached to Fission Shares or Fission Options held or controlled by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, voting together as a single class on the basis of one vote per Fission Share or Fission Option held.

29. As set forth in the articles and by-laws of Fission, the quorum required at the Meeting shall be two persons present, each being a Fission Shareholder entitled to vote thereat or a duly appointed proxyholder or representative for a Fission Shareholder so entitled, holding or representing by proxy not less than 25% of the votes entitled to be cast at the Meeting.

DISSENT RIGHTS

30. Each registered Fission Shareholder as of the Record Date shall have the right to dissent in respect of the Arrangement Resolution in accordance with the provisions of section 190 of the CBCA, as modified by the terms of the Interim Order and the Plan of Arrangement.

31. In order for a Fission Shareholder to exercise such right of dissent (the “**Dissent Right**”):

- (a) a dissenting Fission Shareholder shall deliver a written objection to Fission c/o Blake, Cassels & Graydon LLP, 3500 – 1133 Melville Street, Vancouver, BC V6E 4E5, Attention: Alexandra Luchenko, or by email to alexandra.luchenko@blakes.com, not later than 5:00 p.m. (Vancouver Time) on August 22, 2024, or two business days prior to any postponed or adjourned Meeting;
- (b) a dissenting Fission Shareholder shall not have voted his, her or its Fission Shares at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution
- (c) a vote against the Arrangement Resolution or an abstention shall not constitute the written objection required under subparagraph (a);
- (d) a dissenting Fission Shareholder shall have been a registered Fission Shareholder as of the Record Date of the Meeting and as of the deadline for exercising Dissent Rights;
- (e) a dissenting Fission Shareholder must dissent with respect to all of the Fission Shares held by such person; and
- (f) the exercise of such Dissent Right must otherwise comply with the requirements of Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement.

UNITED STATES SECURITIES LAWS

32. Section 3(a)(10) of the United States *Securities Act of 1933*, as amended, (the “**1933 Act**”) provides an exemption from the registration requirements of that act for the issue of

securities in exchange for other outstanding securities where the terms and conditions of the issue and exchange are approved by a court of competent jurisdiction after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue such securities have the right to appear.

33. There are Fission Securityholders in the United States. The Paladin Shares to be issued pursuant to the Arrangement have not been and will not be registered under the 1933 Act. Fission hereby advises the Court that, based upon the Final Order, Paladin and the Purchaser intend to rely on the exemption from the registration requirements of the 1933 Act set forth in Section 3(a)(10) thereof, with respect to the issuance of Paladin Shares pursuant to the Arrangement.

34. In order to ensure securities issued or made issuable to Fission Securityholders in the United States pursuant to the Arrangement will be exempt from the registration requirements of the 1933 Act pursuant to Section 3(a)(10) of the 1933 Act, it is necessary that:

- (a) the Court is advised of the intention of the parties to rely on Section 3(a)(10) of the 1933 Act based on the Court's approval of the Arrangement, prior to the hearing required to approve the Arrangement;
- (b) the Interim Order of the Court approving the relevant meeting or meetings to approve the Arrangement specifies that each Fission Securityholder will have the right to appear before the Court so long as the Fission Securityholder enters an appearance within a reasonable time;
- (c) all the Fission Securityholders are given adequate notice advising them of their rights to attend the hearing of the Court to approve of the Arrangement and are provided with sufficient information necessary for them to exercise that right;
- (d) the Court must approve the fairness of the terms and conditions of the Arrangement to the Fission Securityholders;
- (e) the Court has determined, prior to approving the final order, that the terms and conditions of the exchanges of securities comprising the Arrangement are procedurally and substantively fair to the Fission Securityholders; and

- (f) the order of the Court approving the Arrangement expressly states that the Arrangement is approved by the Court as being procedurally and substantively fair to the Fission Securityholders.

IMPRACTICABILITY

35. Having regard to the objectives of the Arrangement it would not be practicable to proceed other than by way of an arrangement. In particular, the exchange of Fission Shares and Fission Options for Paladin Shares is a fundamental change that cannot practicably be completed in any way other than by way of an arrangement. Further, proceeding by way of an arrangement under the CBCA will allow Paladin to claim an exemption from the registration requirements of the 1933 Act with respect to the Paladin Shares to be issued pursuant to the Arrangement. Such an exemption will only be available if there is a court's affirmative determination that the Arrangement is both substantively and procedurally fair to the persons who receive such securities. The Arrangement allows Fission to deal comprehensively with all Fission Shares and Fission Options in a single Plan of Arrangement and to appropriately sequence and integrate the steps of the Arrangement contemplated by the Arrangement Agreement, providing greater efficiency and cost savings to Fission and the Fission Securityholders.

SOLVENCY

36. Fission is not insolvent within the meaning of Section 192 of the CBCA. Specifically:

- (a) Fission is not unable to pay its liabilities as they become due; and
- (b) the realizable value of the assets of Fission is not less than the aggregate of its liabilities and stated capital of all classes.

Part 3: LEGAL BASIS

1. Section 192 of the CBCA;
2. Rules 4-4, 4-5, 8-1 and 16-1 of the *Supreme Court Civil Rules*; and
3. The equitable and inherent jurisdiction of the Court.

Part 4: MATERIALS TO BE RELIED ON

The Petitioner will rely on:

- 1. Affidavit #1 of Chris Sammartino made on July 17, 2024;
- 2. Affidavit #2 of Chris Sammartino to be made after the Meeting; and
- 3. Such further and other material as counsel may advise and this Honourable Court may allow.

Date: July 17, 2024



 for Signature of lawyer for Petitioner
 Alexandra Luchenko

To be completed by the court only:

Order made

in the terms requested in paragraphs of Part 1 of this petition

with the following variations and additional terms:

.....

.....

.....

Date:[dd/mmm/yyyy].....

Signature of [] Judge [] Associate Judge

ENDORSEMENT ON ORIGINATING PETITION FOR SERVICE OUTSIDE BRITISH COLUMBIA

The Petitioner claim the right to serve this Petition outside British Columbia on the grounds enumerated in Sections 10(e) and 10(h) of the *Court Jurisdiction and Proceedings Transfer Act*, that the proceeding:

- (e) concerns contractual obligations, and
 - (i) the contractual obligations, to a substantial extent, were to be performed in British Columbia,
 - (ii) by its express terms, the contract is governed by the law of British Columbia,
 - or

(iii) the contract

(A) is for the purchase of property, services or both, for use other than in the course of the purchaser's trade or profession, and

(B) resulted from a solicitation of business in British Columbia by or on behalf of the seller, and

(h) concerns a business carried on in British Columbia.

APPENDIX "A"

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE
CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, C. 44, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
FISSION URANIUM CORP.,
PALADIN ENERGY LTD. AND 1000927136 ONTARIO INC.

FISSION URANIUM CORP.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE) July 19, 2024
)
)

ON THE APPLICATION of the Petitioner, Fission Uranium Corp. ("**Fission**") for an Interim Order pursuant to its Petition filed on July 17, 2024.

[x] without notice coming on for hearing at Vancouver, British Columbia on July 19, 2024 and on hearing Alexandra Luchenko, counsel to Fission and upon reading the Petition herein, the Affidavit #1 of Chris Sammartino sworn on July 17, 2024 filed herein; and upon being advised that it is the intention of Paladin Energy Ltd. ("**Paladin**") and 1000927136 Ontario Inc. to rely upon Section 3(a)(10) of the United States *Securities Act of 1933*, as amended (the "**1933 Act**") as a basis for an exemption from the registration requirements of the 1933 Act with respect to common shares of Paladin to be issued pursuant to the Arrangement based on the Court's approval of the Arrangement, as such term is defined in this Interim Order;

THIS COURT ORDERS THAT:

DEFINITIONS

1. As used in this Interim Order, unless otherwise defined, terms beginning with capital letters have the respective meanings set out in the draft Notice of Special Meeting of

Fission Securityholders and Management Information Circular dated July 19, 2024, (collectively, the “**Circular**”) attached as Exhibit “A” to the Affidavit #1 of Chris Sammartino sworn on July 17, 2024 (the “**Sammartino Affidavit**”).

SPECIAL MEETING

2. Pursuant to Section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 as amended (the “**CBCA**”), Fission is authorized and directed to call, hold and conduct a special meeting (the “**Meeting**”) of the holders of common shares of Fission (the “**Fission Shares**” the holders of which are the “**Fission Shareholders**”) and the holders of options to purchase Fission Shares (the “**Fission Options**”, the holders of which are the “**Fission Optionholders**” and with the Fission Shareholders, the “**Fission Securityholders**”) to be held at 10:00 a.m. (Vancouver Time) on August 26, 2024 at Suite 3500, 1133 Melville Street, The Stack, Vancouver, British Columbia, V6E 4E5, and described in the Circular to:

- (a) consider and, if thought advisable, to pass a special resolution (the “**Arrangement Resolution**”) to approve an arrangement (the “**Arrangement**”) on the terms and subject to the conditions set out in a plan of arrangement (the “**Plan of Arrangement**”) as more particularly described in the Circular and substantially in the form attached as Appendix “A” to the Circular; and
- (b) transact such other business as may properly come before the Meeting or any adjournment thereof.

3. The Meeting shall be called, held and conducted in accordance with the CBCA, the Circular and the articles and by-laws of Fission, subject to the terms of this Interim Order, and any further Order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order.

ADJOURNMENT

4. Notwithstanding the articles and by-laws of Fission and the provisions of the CBCA, prior to the Meeting, Fission, if it deems it advisable, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Fission Securityholders respecting the adjournment or postponement and without the need for approval of the Court. Notice of any such adjournments or postponements shall be given by press release, news release, newspaper advertisement, or

by notice sent to the Fission Securityholders by one of the methods specified in paragraph 9 of this Interim Order.

5. The Record Date (as defined in paragraph 7 below) shall not change in respect of adjournments or postponements of the Meeting.

AMENDMENTS

6. Prior to the Meeting, Fission is authorized to make such amendments, revisions or supplements to the Arrangement and the Plan of Arrangement in accordance with the Arrangement Agreement without any additional notice to the Fission Securityholders, and the Arrangement and the Plan of Arrangement as so amended, revised and supplemented shall be the Arrangement and Plan of Arrangement submitted to the Meeting, and the subject of the Arrangement Resolution.

RECORD DATE

7. The record date for determining the Fission Securityholders entitled to receive notice of, attend and vote at the Meeting shall be July 19, 2024 (the “**Record Date**”), or such other date as the board of directors of Fission (the “**Board**”) may determine and as disclosed to the Fission Securityholders in the manner they see fit.

NOTICE OF SPECIAL MEETING

8. The Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of Section 192 of the CBCA, and Fission shall not be required to send to the Fission Securityholders any other or additional statement pursuant to Section 192 of the CBCA.

9. The Circular, form of proxy and letter of transmittal, and a copy of the Notice of Hearing of Petition (collectively, the “**Meeting Materials**”) in substantially the same form as contained in Exhibits “A”, “B” and “C” to the Sammartino Affidavit, with such deletions, amendments or additions thereto as counsel for the Petitioner may advise are necessary or desirable, provided that such deletions, amendments or additions are not inconsistent with the terms of this Interim Order, shall be sent to:

- (a) the registered Fission Shareholders and the Fission Optionholders, as they appear on the central securities register or other applicable register of Fission or the

records of its registrar and transfer agent as at the close of business on the Record Date, such Meeting Materials to be sent at least twenty-one (21) days prior to the date of the Meeting (excluding the date of mailing, delivery or transmittal and the date of the Meeting) by one or more of the following methods:

- (i) by prepaid ordinary or air mail addressed to such Fission Securityholder at his, her or its address as it appears on the applicable securities registers of Fission as at the Record Date;
 - (ii) by delivery in person to the addressee specified in paragraph 9 (a)(i) above;
or
 - (iii) by email or facsimile transmission to such Fission Securityholder who identifies himself, herself or itself to the satisfaction of Fission, acting through its representatives, who requests such email or facsimile transmission and then in accordance with such request;
- (b) the non-registered Fission Shareholders, by providing copies of the Meeting Materials to intermediaries and registered nominees for sending to both non-objecting beneficial owners and objecting beneficial owners in accordance with National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators at least three (3) Business Days prior to the twenty-first (21st) day prior to the date of the Meeting;
- (c) the directors and auditors of Fission by sending the Meeting Materials by prepaid ordinary mail, or by email or facsimile transmission, to such persons at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or transmittal and the date of the Meeting; and
- (d) the Director appointed pursuant to the CBCA, by prepaid ordinary mail, or by email or facsimile transmission at least twenty-one (21) days prior to the date of the Meeting;

and substantial compliance with this paragraph shall constitute good and sufficient notice of the Meeting and Fission's application for the Final Order. Fission is at liberty to give notice of the

Meeting and these proceedings to persons outside the jurisdiction of this Honourable Court in the manner specified herein.

10. Accidental failure of, or omission, or delay by Fission to give notice to any one or more Fission Securityholder, or the non-receipt of such notice by one or more Fission Securityholders, or delay, shall not constitute a breach of this Interim Order and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Fission then it shall use reasonable best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

DEEMED RECEIPT OF NOTICE

11. The Meeting Materials and shall be deemed, for the purposes of this Order, to have been received:

- (a) in the case of mailing, the day, Saturdays, Sundays and holidays excepted, following the date of mailing;
- (b) in the case of delivery in person, the day following personal delivery or the day following delivery to the person's address in paragraph 9 above; and
- (c) in the case of any means of transmitted, recorded or electronic communication, when dispatched or delivered for dispatch.

UPDATING MEETING MATERIALS

12. Notice of any amendments, updates or supplement to any of the information provided in the Meeting Materials may be communicated to the Fission Securityholders by press release, news release, newspaper advertisement or by notice sent to the Fission Securityholders by any of the means set forth in paragraph 9 herein, as determined to be the most appropriate method of communication by the Board.

QUORUM AND VOTING

13. As set forth in the articles and by-laws of Fission, the quorum required at the Meeting shall be two individuals present in person, each being a Fission Shareholder entitled to vote thereat or a duly appointed proxyholder or representative for a Fission Shareholder so

entitled, holding or representing by proxy not less than 25% of the votes entitled to be cast at the Meeting.

14. The vote required to pass the Arrangement Resolution at the Meeting shall be the affirmative vote of at least:

- (a) 66^{2/3}% of the votes cast on the Arrangement Resolution by Fission Shareholders present in person or represented by proxy and entitled to vote at the Meeting, voting together as a single class on the basis of one vote per Fission Share held;
- (b) 66^{2/3}% of the votes cast on the Arrangement Resolution by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting, voting together as a single class on the basis of one vote per Fission Share or Fission Option held; and
- (c) a simple majority of votes attached to Fission Shares and Fission Options held by Fission Securityholders present in person or represented by proxy and entitled to vote at the Meeting excluding those votes attached to Fission Shares or Fission Options held or controlled by persons described in items (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, voting together as a single class on the basis of one vote per Fission Share or Fission Option held.

15. For the purpose of counting votes respecting the Arrangement Resolution, any spoiled votes, illegible votes, defective votes and abstentions shall be deemed to be votes not cast and the Fission Share or Fission Option represented by such spoiled votes, illegible votes, defective votes or abstentions not be counted in determining the number of Fission Shares or Fission Options represented at the Meeting. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

16. A representative of Fission who attends the Meeting shall file in due course with the Court an affidavit verifying the actions taken and the decisions reached by the Fission Securityholders at the Meeting with respect to the Plan of Arrangement.

17. In all other respects, the terms, restrictions and conditions of the articles and by-laws of Fission will apply in respect of the Meeting.

PERMITTED ATTENDEES

18. The only persons entitled to attend the Meeting shall be the (i) registered Fission Shareholders and the Fission Optionholders, or their respective proxyholders, as of the Record Date; (ii) Fission's directors, officers, auditors, advisors; and (iii) any other person admitted on the invitation of the Chair or with the consent of the Meeting, and the only persons entitled to be represented and to vote at the Meeting shall be the registered Fission Shareholders, the Fission Optionholders, or their respective proxyholders, as at the close of business on the Record Date.

SCRUTINEERS

19. A representative of Fission's registrar and transfer agent (or any agent thereof) is authorized to act as scrutineer for the Meeting.

SOLICITATION OF PROXIES

20. Fission is authorized to use the form of proxy in connection with the Meeting in substantially the same form as attached as Exhibit "B" to the Sammartino Affidavit and Fission may in its discretion waive generally the time limits for deposit of proxies by Fission Securityholders if the Chair deems it reasonable to do so. Fission is authorized, at its expense, to solicit proxies, directly and through its officers, directors and employees, and through such agents or representatives as it may retain for the purpose, and by mail or such other forms of personal or electronic communication as determined to be appropriate by the Board.

21. The procedure for the use of proxies at the Meeting shall be as set out in the Meeting Materials.

DISSENT RIGHTS

22. Each registered Fission Shareholder shall have the right to dissent in respect of the Arrangement Resolution in accordance with the provisions of Section 190 of the CBCA, as modified by the terms of this Interim Order, the Plan of Arrangement, and the Final Order (the "**Dissent Rights**").

23. In order for a Fission Shareholder to exercise such Dissent Rights:

- (a) notwithstanding section 190(5) of the CBCA, a dissenting Fission Shareholder shall deliver a written objection to Fission c/o Blake, Cassels & Graydon LLP, 3500

– 1133 Melville Street, Vancouver, BC V6E 4E5, Attention: Alexandra Luchenko, or by email to alexandra.luchenko@blakes.com, not later than 5:00 p.m. (Vancouver Time) on August 22, 2024, or two business days prior to any postponed or adjourned Meeting;

- (b) a dissenting Fission Shareholder shall not have voted his, her or its Fission Shares at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution;
- (c) a vote against the Arrangement Resolution or an abstention shall not constitute the written objection required under subparagraph (a);
- (d) a dissenting Fission Shareholder shall have been a registered Fission Shareholder as of the Record Date of the Meeting and as of the deadline for exercising the Dissent Rights;
- (e) a dissenting Fission Shareholder must dissent with respect to all of the Fission Shares held by such person; and
- (f) the exercise of the Dissent Rights must otherwise comply with the requirements of Section 190 of the CBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order.

24. Subject to further order of this Court, the rights available to the Fission Shareholders under the CBCA and the Arrangement to dissent from the Arrangement shall constitute full and sufficient rights of dissent for the Fission Shareholders with respect to the Arrangement.

25. Notice to the Fission Shareholders of the Dissent Rights with respect to the Arrangement Resolution and to receive the fair value of their Fission Shares, subject to the provisions of the CBCA, as modified by this Interim Order, the Plan of Arrangement, and the Final Order, shall be given by including information with respect to the Dissent Rights in the Circular to be sent to Fission Shareholders in accordance with this Interim Order.

APPLICATION FOR FINAL ORDER

26. Upon the approval, with or without variation, by the Fission Securityholders of the Arrangement, in the manner set forth in this Interim Order, Fission may apply to this Court for, *inter alia*, an Order:

- (a) pursuant to CBCA Section 192(4)(e) approving the Arrangement; and
- (b) pursuant to CBCA Section 192(4)(e) declaring that the terms and conditions of the Arrangement are procedurally and substantively fair and reasonable to the Fission Securityholders;

(collectively, the “**Final Order**”)

and the hearing of the Final Order will be held on August 29, 2024 at 9:45 a.m. (Vancouver time) at the Courthouse at 800 Smithe Street, Vancouver, British Columbia or as soon thereafter as the hearing of the Final Order can be heard or at such other date and time as this Court may direct.

27. The form of Notice of Hearing of Petition is hereby approved as the form of Notice of Proceedings for such approval. Any Fission Securityholder, creditor of Fission, or any other interested person has the right to appear (either in person or by counsel) and make submissions at the hearing of the application for the Final Order.

28. Any Fission Securityholder, creditor of Fission, or any other interested person seeking to appear at the hearing of the application for the Final Order shall:

- (a) file and deliver a Response in the form prescribed by the *Rules of Court*, and a copy of all materials upon which they intend to rely, to the Petitioner’s solicitors at:

Blake, Cassels & Graydon LLP
Barristers and Solicitors
1133 Melville Street
Suite 3500, The Stack
Vancouver, BC V6E 4E5
Attention: Alexandra Luchenko

by or before 4:00 p.m. (Vancouver Time) on August 27, 2024, or as the Court may otherwise direct.

29. Sending the Notice of Hearing of Petition and this Interim Order in accordance with paragraph 9 of this Interim Order shall constitute good and sufficient service of this proceeding

and no other form of service need be made and no other material need be served on persons in respect of these proceedings. In particular, service of the Petition herein and the accompanying Affidavit and additional Affidavits as may be filed, is dispensed with.

30. In the event the hearing for the Final Order is adjourned, only those persons who have filed and delivered a Response in accordance with this Interim Order need be provided with notice of the adjourned hearing date and any filed materials.

VARIANCE

31. The Petitioner shall be entitled, at any time, to apply to vary this Interim Order or for such further order or orders as may be appropriate.

32. Rules 8-1 (apart from the requirement for an Application Record) and 16-1(3) and (8)-(12) of the *Supreme Court Civil Rules* are dispensed with for the purposes of any further application to be made pursuant to this Petition.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of lawyer for Petitioner
Alexandra Luchenko

BY THE COURT.

REGISTRAR

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE
CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, C. 44, AS AMENDED

AND
IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
FISSION URANIUM CORP.,
PALADIN ENERGY LTD. AND 1000927136 ONTARIO INC.

FISSION URANIUM CORP.

PETITIONER

ORDER MADE AFTER APPLICATION

Alexandra Luchenko
Blake, Cassels & Graydon LLP
Barristers and Solicitors
1133 Melville Street
Suite 3500, The Stack
Vancouver, BC V6E 4E5
(604) 631-3300

Agent: Dye & Durham

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 192 OF THE
CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, C. 44, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
FISSION URANIUM CORP.,
PALADIN ENERGY LTD. AND 1000927136 ONTARIO INC.

FISSION URANIUM CORP.

PETITIONER

NOTICE OF HEARING OF PETITION

To: The holders of common shares (the "**Fission Shares**") in the capital of Fission Uranium Corp. (the "**Fission Shareholders**")

And to: The holders of options to purchase Fission Shares (the "**Fission Optionholders**", and with the Fission Shareholders, the "**Fission Securityholders**")

NOTICE IS HEREBY GIVEN that a Petition has been filed by the Petitioner, Fission Uranium Corp. in the Supreme Court of British Columbia (the "**Court**") for approval of a proposed arrangement (the "**Arrangement**") by way of a plan of arrangement pursuant to the *Canada Business Corporations Act*, R.S.C., 1985, c. 44, as amended (the "**CBCA**");

AND NOTICE IS FURTHER GIVEN that by an Interim Order Made After Application, pronounced by the Court on July 19, 2024, the Court has given directions as to the calling of a special meeting of the Fission Securityholders, for the purpose of, among other things, considering, voting upon and approving the Arrangement;

AND NOTICE IS FURTHER GIVEN that an application for a Final Order approving the Arrangement and for a determination that the terms of the Arrangement are fair and reasonable, procedurally and substantively, to the Fission Securityholders shall be made before the presiding Judge in Chambers at the Courthouse, 800 Smithe Street, Vancouver, British Columbia on August 29, 2024, at 9:45 am (Vancouver Time), or as soon thereafter as counsel may be heard (the "**Final Application**").

AND NOTICE IS FURTHER GIVEN that the Final Order approving the Arrangement will, if made, serve as the basis of an exemption from the registration requirements of the United States *Securities Act of 1933*, as amended, pursuant to Section 3(a)(10) thereof with respect to common shares of Paladin Energy Ltd. to be issued under the Arrangement.

IF YOU WISH TO BE HEARD, any person affected by the Final Order sought may appear (either in person or by counsel) and make submissions at the hearing of the Final Application if

such person has filed with the Court at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, a Response to Petition ("**Response**") in the form prescribed by the Supreme Court Civil Rules and delivered a copy of the filed Response, together with all affidavits and other material on which such person intends to rely at the hearing of the Final Application, including an outline of such person's proposed submissions, to the Petitioner at its address for delivery set out below by or before 4:00 p.m. (Vancouver Time) on August 27, 2024.

The Petitioner's address for delivery is:

Blake, Cassels & Graydon LLP
Barristers and Solicitors
1133 Melville Street
Suite 3500, The Stack
Vancouver, BC V6E 4E5

Attention: Alexandra Luchenko

IF YOU WISH TO BE NOTIFIED OF ANY ADJOURNMENT OF THE FINAL APPLICATION, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing and delivering the form of "Response" as aforesaid. You may obtain a form of "Response" at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

AT THE HEARING OF THE FINAL APPLICATION the Court may approve the Arrangement as presented, or may approve it subject to such terms and conditions as the Court deems fit.

IF YOU DO NOT FILE A RESPONSE and attend either in person or by counsel at the time of such hearing, the Court may approve the Arrangement, as presented, or may approve it subject to such terms and conditions as the Court shall deem fit, all without any further notice to you. If the Arrangement is approved, it will significantly affect the rights of the Fission Securityholders.

A copy of the Petition, affidavits and other documents in the proceeding will be furnished to any person receiving this Notice upon request in writing addressed to the solicitors of the Petitioner at the address for delivery set out above.

Date: July 19, 2024

/s/ Alexandra Luchenko
Signature of lawyer for Petitioner
Alexandra Luchenko

**APPENDIX E
CFCC OPINION**

See attached.

STRICTLY PRIVATE AND CONFIDENTIAL

July 17, 2024

Fission Uranium Corp.
700 – 1620 Dickson Avenue
Kelowna, British Columbia, Canada, V1Y 9Y2

Attention: Special Committee of the Board of Directors

Ladies and Gentlemen:

Cantor Fitzgerald Canada Corporation (“**CFCC**” or “**we**” or “**us**”) understands that Paladin Energy Ltd. (“**Paladin**”), 1000927136 Ontario Inc. (a wholly-owned subsidiary of Paladin), and Fission Uranium Corp. (“**Fission**” or the “**Company**”) have entered into an arrangement agreement dated June 24, 2024 (the “**Arrangement Agreement**”) pursuant to which, among other things, Paladin will acquire all of the issued and outstanding common shares of Fission (the “**Common Shares**”), by way of a court approved plan of arrangement under the *Canada Business Corporations Act* (the “**Arrangement**”).

Pursuant to the Arrangement, holders of Common Shares (“**Shareholders**”) will receive 0.1076 of a Paladin Share (as defined herein) for each one (1) Common Share held (the “**Consideration to be Received**”). The terms of the Arrangement are more fully described in the Arrangement Agreement.

CFCC have been retained by the Special Committee of the Board of Directors (the “**Special Committee**”) as a financial advisor (“**Financial Advisor**”) to render to the Special Committee an opinion (the “**Opinion**”) as to the fairness, from a financial point of view, of the Consideration to be Received by Shareholders, pursuant to the Arrangement.

ENGAGEMENT OF CANTOR FITZGERALD CANADA CORPORATION

CFCC was formally engaged by the Special Committee pursuant to an agreement dated January 25, 2024 (the “**Engagement Agreement**”). Under the terms of the Engagement Agreement, CFCC agreed to conduct an analysis to enable it to render the Opinion to the Special Committee. CFCC has not prepared a valuation of the Company, Paladin, or any of their respective securities or assets and the Opinion should not be construed as such.

Following review of the terms of the Arrangement by CFCC, CFCC provided a presentation and rendered an oral opinion to the Special Committee as to the fairness, from a financial point of view, of the Consideration to be Received in connection with the Arrangement. The Opinion confirms the views set out in the presentation by CFCC to the Special Committee on June 23, 2024 (the “**Effective Date**”).

CFCC will receive a fixed fee for rendering the Opinion and the Company has agreed to reimburse CFCC for its reasonable out-of-pocket expenses. Neither the payment of the fixed fee nor the reimbursement of CFCC's expenses will be dependent on the completion of the Arrangement. The Company has also agreed to indemnify CFCC against certain liabilities that might arise from CFCC's engagement.

The Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of Canadian Investment Regulatory Organization (“**CIRO**”), but CIRO has not been involved in the preparation or review of the Opinion.

CREDENTIALS OF CANTOR FITZGERALD CANADA CORPORATION

CFCC is one of Canada's leading independent investment dealers providing, among others, investment research, equity sales and trading and investment banking services to a broad range of institutions and corporations. CFCC and its affiliates have participated in a significant number of transactions involving public and private companies and has experience in preparing fairness opinions.

The Opinion expressed herein represents the opinion of CFCC and its form and content have been approved for release by a committee of senior investment banking professionals of CFCC and its affiliates, each of whom is experienced in merger, acquisition, divestiture, valuation and fairness opinion matters.

INDEPENDENCE OF CANTOR FITZGERALD CANADA CORPORATION

Neither CFCC, nor its affiliates or associates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of Fission, Paladin or any of their respective associates or affiliates (collectively, the “**Interested Parties**”).

CFCC has not been engaged to provide any financial advisory services nor has it participated as principal in any financings involving the Interested Parties within the two years prior to the Effective Date, other than acting as Financial Advisor to the Special Committee pursuant to the Engagement Agreement, as disclosed herein. The fees paid to CFCC pursuant to the Engagement Agreement are not, in the aggregate, financially material to CFCC and do not give CFCC any financial incentive in respect of either the conclusions reached in the Opinion or the outcome of the Arrangement.

There are no understandings, agreements or commitments between CFCC and Fission or Paladin, or any other Interested Party, with respect to any future business dealings. CFCC may, in the future, in the ordinary course of business, perform financial advisory or investment banking services to one or more of the Interested Parties from time to time.

In the ordinary course of business, CFCC and certain of its affiliates may actively trade (for their own accounts and for the accounts of their customers) certain equity and debt securities, bank debt and/or other financial instruments issued by any of the Interested Parties, as well as derivatives thereof, and, accordingly, may have had, may have, and may in the future have long or short positions in such securities, bank debt, financial instruments and derivatives and, from time to time, may have executed or may execute transactions on behalf of such companies or customers for which it may have received or may receive compensation.

As an investment dealer, CFCC conducts research on securities and may, in the ordinary course of business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company, Paladin or the Arrangement and other participants in the Arrangement. Consistent with applicable legal and regulatory requirements, CFCC has adopted certain policies and procedures to establish and maintain the independence of CFCC's research departments and personnel. As a result, CFCC's research analysts may hold views, make statements or investment recommendations and/or publish research reports with respect to the Company, Paladin, the Arrangement and other participants in the Arrangement that differ from the views of CFCC's investment banking personnel.

SCOPE OF REVIEW

In connection with rendering the Opinion, CFCC has reviewed and relied upon, or carried out, among other things, the following:

- (a) offer terms provided by the Company’s financial advisor to CFCC on June 21, 2024;
- (b) signed non-binding indicative offer executed on May 6, 2024;
- (c) draft of the Arrangement Agreement as of June 21, 2024;
- (d) Fission’s audited annual financial statements and MD&A for the years ended December 31, 2023, December 31, 2022, and December 31, 2021;
- (e) Fission’s unaudited quarterly financial statements and MD&A for the quarters ending March 31, 2024, September 30, 2023, June 30, 2023, and March 31, 2023;

- (f) Paladin’s audited annual reports for the years ended June 30, 2023, June 30, 2022, and June 30, 2021;
- (g) Paladin’s audited half-year reports for the half-years ended December 31, 2023, December 31, 2022, and December 31, 2021;
- (h) Paladin’s unaudited quarterly cash flow reports and activities reports for the quarters ending March 31, 2024, September 30, 2023, and March 31, 2023;
- (i) current technical reports filed by Fission related to the PLS Property (“**PLS**”);
- (j) financial and operating forecasts for PLS, including the financial model provided by Fission management (the “**PLS Model**”);
- (k) offtake agreement between Fission and CGN Mining Company Ltd. (“**CGN**”), including publicly available information related to CGN’s ownership in Fission and CGN’s offtake for PLS (“**Offtake Agreement**”);
- (l) discussions with the Special Committee and certain management of the Company, including PLS Model review and Offtake Agreement review;
- (m) trading information on Paladin, however, CFCC did not conduct any valuation analysis on the common shares of Paladin (“**Paladin Shares**”) for the purposes of the Opinion;
- (n) current Mine Restart Plans filed publicly by Paladin related to Langer Heinrich Mine (“**LHM**”);
- (o) discussion with Paladin management related to LHM, the Michelin Project (“**Michelin**”), Manyingee Project (“**Manyingee**”), Carley Bore Project (“**Carley Bore**”), and Mount Isa Project (“**Mount Isa**”);
- (p) resource estimates of Michelin, Manyingee, Carley Bore, and Mount Isa;
- (q) Certain internal corporate, financial and technical information prepared or provided by or on behalf of the Company and Paladin relating to the business, operations, financial condition and assets of the Company and Paladin;
- (r) Select reports published by equity research analysts and industry sources and other comparable public entities; and
- (s) such other studies, analyses, inquiries and investigations as we deemed appropriate.

CFCC has not, to the best of its knowledge, been denied access by the Company to any information under the Company’s control requested by CFCC.

CFCC has not conducted, and was not engaged to conduct, due diligence on the Company and/or Paladin except to the extent required to support the Opinion, as outlined in the Engagement Agreement. CFCC did not complete a detailed technical due diligence review, and has relied upon management of the Company and/or Paladin for all technical due diligence matters, without independent verification. No site-level due diligence of any of the assets of the Company or Paladin was undertaken by CFCC.

CFCC did not meet with the auditors of the Company, Paladin, or the authors of the technical reports of the Company or Paladin, and has assumed the accuracy, completeness and fair presentation of and has relied upon, without independent verification, the audited consolidated financial statements of the Company, Paladin and the reports of the auditors thereon.

In our assessment, we considered several techniques and used a blended approach to determine our Opinion. We based the Opinion upon a number of quantitative and qualitative factors.

PRIOR VALUATIONS

Fission has represented to CFCC that, among other things, it has no knowledge of any prior valuations (within the meaning of Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”)) of the Company in the past 24 months.

ASSUMPTIONS AND LIMITATIONS

CFCC has relied upon and assumed, without independent verification, the completeness, accuracy and fair presentation of all financial and other information, business plans, financial analyses, models, forecasts and other information, data, advice, opinions, representations and other material obtained by us from public sources, or provided to or discussed with us by or on behalf of the Company or Paladin, their respective subsidiaries, directors, officers, associates, affiliates, consultants, advisors and representatives, or otherwise obtained by us in connection with our engagement (the “**Information**”). The Opinion is conditional upon such completeness, accuracy and fair presentation of the Information. We have not been requested to, and have not assumed any obligation to, independently verify the completeness, accuracy or fair presentation of any such Information and assume no responsibility or liability in connection therewith. We have not conducted or been provided with any valuation or appraisal of any assets or liabilities (contingent or otherwise), nor have we evaluated the solvency of the Company or Paladin under any provincial or federal laws relating to bankruptcy, insolvency or similar matters. We have assumed that forecasts, projections, estimates and budgets (including, without limitation, estimates of future mineral resources or mineral reserve additions) provided to us and used in our analyses were reasonably prepared on bases reflecting all currently available assumptions, estimates and judgments of management of the Company, having regard to the Company’s business, plans, financial condition and prospects. We have not assumed any responsibility for the independent verification of any such Information, including, without limitation, the projections. We express no view or opinion as to such financial analyses, forecasts, projections, estimates and/or budgets or the assumptions on which they were based; and we have further relied upon the assurances of the senior management of the Company and Paladin, as the case may be, that they are unaware of any facts that would make the Information incomplete or misleading. CFCC expresses no opinion on any reports prepared by other experts of the Company or Paladin, including any technical reports. CFCC expresses no opinion regarding the Paladin stock price. In addition, we have not assumed any obligation to conduct any physical inspection of the properties or the facilities of the Company or Paladin. We have assumed that the executed Arrangement Agreement does not differ in any material respect from that which was reviewed by CFCC.

The Company has represented to us, in a certificate of two senior officers of the Company dated June 23, 2024, among other things, that the Information provided to us by or on behalf of the Company, including the written information and discussions concerning the Company referred to above under the heading “Scope of Review”, was complete and correct at the date the Information was provided to us and that, since the dates on which the Information was provided to us, and except as publicly disclosed or as disclosed in writing to us, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its affiliates and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Opinion.

In preparing the Opinion, we have made several assumptions, including that all of the representations and warranties contained in the Arrangement Agreement are correct as of the Effective Date, all of the conditions required to complete the Arrangement will be met, the Arrangement will be completed in a timely manner substantially in accordance with the terms of the Arrangement Agreement and all applicable laws and that the disclosure provided by the Company in respect of the Arrangement will be accurate in all material respects.

The Opinion has been provided solely for the benefit and use of the Special Committee in connection with its consideration of the Arrangement and may not be used or relied upon by any other person without the express prior written consent of CFCC. Except as contemplated herein, a summary of or excerpt from the Opinion, or the Opinion in its entirety, may not be reproduced, disseminated, quoted from or referred to (in whole or in part) at any time, in any manner or for any purpose, nor shall any public reference to CFCC be made by the Company without the express prior written consent of CFCC, such consent not to be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, to the extent required by applicable law or regulation, a summary of the Opinion or the Opinion in its entirety may be included in any proxy statement or other document distributed to security holders of the Company in connection with the Arrangement, and the Company may name CFCC as a financial advisor in any press release related to the Arrangement, provided such summary and disclosure is first approved by CFCC in writing. CFCC will not be held liable for any losses sustained by any person should the Opinion be circulated, distributed, published, reproduced or used contrary to the provisions of the Opinion.

The Opinion does not constitute a recommendation to the Special Committee in connection with the Arrangement, nor does the Opinion constitute a recommendation to any Shareholders as to how to vote in connection with the Arrangement. The Opinion does not address the Company's underlying business decision to pursue the Arrangement, the relative merits of the Arrangement as compared to any alternative business or financial strategies that might exist for the Company or the effects of any other transaction in which the Company might engage. In addition, we do not express any view or opinion as to the fairness, financial or otherwise, of the amount or nature of any compensation payable to or to be received by any of the Company's officers, directors or employees, or any class of such persons, in connection with the Arrangement relative to the Consideration to be Received.

CFCC has not been asked to prepare and has not prepared a formal valuation of the Company or of any of its securities or assets, and the Opinion should not be construed as a "formal valuation" (within the meaning of MI 61-101), nor have we been furnished with any such valuations or appraisals in respect of the Company or Paladin. Subject to the foregoing, CFCC has conducted such analyses as it considered necessary in the circumstances. In addition, the Opinion is not, and should not be construed as, advice as to the price or range of prices at which the Common Shares or Paladin Shares may trade at on any future date. CFCC is not a legal, regulatory, tax or accounting expert and relied on the assessments made by the Company and Paladin and their respective advisors with respect to such issues, and the Opinion does not address such matters. The Opinion represents an impartial expert judgment, not a statement of fact. Nothing contained herein is to be construed as a legal interpretation, an opinion on any contract or document, or a recommendation to invest or divest, or approve or vote in favour of or against any transaction.

CFCC expresses no opinion as to the fairness, from a financial point of view, of the Sales Facility Proceeds (as defined in the Arrangement Agreement) to be received by Ineligible Shareholders (as defined in the Arrangement Agreement) pursuant to section 2.8 of the Arrangement Agreement.

CFCC believes that the Opinion must be considered and reviewed as a whole and that selecting portions of the analyses or factors considered by CFCC, without considering all the analyses and factors together, could create a misleading view of the process underlying the Opinion. The preparation of a fairness opinion is a complex process and is not necessarily amenable to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

The Opinion has been authorized by the Fairness Opinion and Valuation Committee of the Investment Banking department of CFCC and its affiliates and is rendered as of the Effective Date on the basis of securities markets, economic, financial and general business conditions prevailing as of the date thereof and the condition and prospects, financial and otherwise, of the Company and Paladin as they are reflected in the Information and as they have been represented to CFCC in discussions with management of the Company and certain of their respective consultants, advisors and representatives. It should be understood that subsequent developments may affect the Opinion and that we do not have any obligation to update, revise, or reaffirm the Opinion. CFCC disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to CFCC's attention after the Effective Date. Without limiting the foregoing, if we learn that any of the information we relied upon

in preparing the Opinion was inaccurate, incomplete or misleading in any material respect, CFCC reserves the right to change or withdraw the Opinion. In our analyses and in preparing the Opinion, CFCC made numerous judgments and assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond our control or that of any party involved in the Arrangement.

FINANCIAL ANALYSES

In the context of the Opinion, we have performed certain financial analyses on the Company on a stand-alone basis. We used methodologies and assumptions that we considered appropriate in the circumstances for the purposes of providing the Opinion.

Factors Considered

In considering the fairness of the Consideration to be Received pursuant to the Arrangement from a financial point of view, CFCC principally reviewed, considered and relied upon the following:

- (a) a comparison of the Consideration to be Received to recent trading prices of the Common Shares and the Paladin Shares;
- (b) a comparison of the Consideration to be Received to the range of metrics derived from a select comparable companies analysis; and
- (c) a comparison of the Consideration to be Received to the range of metrics derived from a select precedent transactions analysis.

Comparison of the Consideration to be Received to Recent Trading Prices of the Paladin Shares

CFCC reviewed the trading data of the Paladin Shares, including, but not limited to, trading price, trading activity and trading volume of the Paladin Shares. CFCC concluded that, on the basis of such data, that there is a liquid market for the Paladin Shares. CFCC has utilized the prevailing market value of the Paladin Shares as at the Effective Date rather than applying any detailed valuation methodologies to the business and assets of Paladin to determine the value of the Consideration to be Received.

Description of the Metrics Used in the Comparable Companies and Precedent Transaction Analyses

- **Price to Net Asset Value (“P/NAV”).** This metric values each mining asset on a Life-of-Mine basis, multiplied by a market P/NAV multiple which is applied to adjust for factors and risks not accounted for in the model itself or the discount rate (i.e., development risk, permitting risk, financing risk, etc.);
- **Enterprise Value / Measured & Indicated (“EV/M&I”).** This metric values the aggregate quantity of contained metal within a company’s in-situ Measured and Indicated resources estimated in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”), Subpart 1300 of Regulation S-K under the Securities Act of 1933 and the Securities Exchange Act of 1934 (“**S-K 1300**”), the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (“**JORC**”) or other comparable professional standard, as applicable. EV/M&I does not take into consideration quantitative and qualitative considerations and/or risks which can impact the economic characteristics of a resource such as grade, permitting timeline, capital cost to build a mine, etc.; and
- **Enterprise Value / Measured & Indicated Plus Inferred (“EV/M&I+I”).** This metric values the aggregate quantity of contained metal within a company’s in-situ Measured, Indicated and Inferred resources estimated in accordance with NI 43-101, S-K 1300, JORC or other comparable professional standard, as applicable. EV/M&I+I does not take into consideration quantitative and

qualitative considerations and/or risks which can impact the economic characteristics of a resource such as grade, permitting timeline, capital cost to build a mine, etc.

Comparable Company Analysis

CFCC conducted comparable publicly trading company analysis, pursuant to which it reviewed public market trading statistics and trading ratios of select comparable uranium-focused global companies with a market capitalization between US\$75M and US\$5,000M. Estimated financial data for the 15 selected comparable companies was based on publicly available equity research analysts' estimates and public disclosure by the selected comparable companies. Based on this information, CFCC completed P/NAV, EV/M&I and EV/M&I+I analyses.

For the P/NAV analysis, CFCC (i) calculated the P/NAV multiples at which comparable companies trade, (ii) analyzed the P/NAV multiples, (iii) applied a selected P/NAV multiple range to values derived from the PLS Model across various discount rates and long-term uranium price assumptions and then applied corporate adjustments to derive a range of values for the Common Shares, and (iv) assessed this range of values for the Common Shares relative to the Consideration to be Received.

For the EV/M&I analysis, CFCC (i) calculated the EV/M&I in-situ values at which the comparable companies trade, (ii) analyzed the EV/M&I in-situ values, (iii) applied a selected EV/M&I in-situ value range to Fission's M&I uranium resources and then applied corporate adjustments to derive a value range for the Common Shares, and (iv) assessed this range of values for the Common Shares relative to the Consideration to be Received.

For the EV/M&I+I analysis, CFCC (i) calculated the EV/M&I+I in-situ values at which the comparable companies trade, (ii) analyzed the EV/M&I+I in-situ values, (iii) applied a selected EV/M&I+I in-situ value range to Fission's M&I+I uranium resources and then applied corporate adjustments to derive a value range for the Common Shares, and (iv) assessed this range of values for the Common Shares relative to the Consideration to be Received.

Precedent Transactions Analysis

CFCC reviewed previously completed comparable transactions of global corporate and asset-level uranium M&A transactions since the beginning of 2021 with purchase prices between US\$25M and US\$2,000M, in the context of implied valuations and the consideration being paid. Financial data for the 15 selected precedent transactions was derived from publicly available documents. Based on this information, CFCC completed P/NAV, EV/M&I and EV/M&I+I analyses.

For the P/NAV analysis, CFCC (i) calculated the P/NAV multiples at which the precedent transactions were consummated, (ii) analyzed the P/NAV multiples, (iii) applied a selected P/NAV multiple range to values derived from the PLS Model across various discount rates and long-term uranium price assumptions and then applied corporate adjustments to derive a range of values for the Common Shares, and (iv) assessed this range of values for the Common Shares relative to the Consideration to be Received.

For the EV/M&I analysis, CFCC (i) calculated the EV/M&I in-situ values at which the precedent transactions were consummated, (ii) analyzed the EV/M&I in-situ values, (iii) applied a selected EV/M&I in-situ value range to Fission's M&I uranium resources and then applied corporate adjustments to derive a value range for the Common Shares, and (iv) assessed this range of values for the Common Shares relative to the Consideration to be Received.

For the EV/M&I+I analysis, CFCC (i) calculated the EV/M&I+I in-situ values at which the precedent transactions were consummated, (ii) analyzed the EV/M&I+I in-situ values, (iii) applied a selected EV/M&I+I in-situ value range to Fission's M&I+I uranium resources and then applied corporate adjustments to derive a value range for the Common Shares, and (iv) assessed this range of values for the Common Shares relative to the Consideration to be Received.

OPINION

Based upon and subject to the foregoing, CFCC is of the opinion that, as of the Effective Date, the Consideration to be Received is fair, from a financial point of view, to the Shareholders.

Very truly yours,

**CANTOR FITZGERALD CANADA
CORPORATION**

Cantor Fitzgerald Canada Corporation

**APPENDIX F
SCP OPINION**

See attached.

June 23, 2024

Fission Uranium Corp.
700 — 1620 Dickson Avenue
Kelowna, BC,
Canada, V1Y 9Y2

To the Board of Directors of Fission Uranium Corp.

1. Introduction

SCP Resource Finance LP (“**SCP**” or “**we**”) understands that Fission Uranium Corp. (“**Fission**” or the “**Company**”) intends to enter into an arrangement agreement substantially in the form that was provided to us on the date hereof (the “**Arrangement Agreement**”) with Paladin Energy Limited, (“**Paladin**” or the “**Acquiror**”) pursuant to which the Acquiror will acquire all of the issued and outstanding common shares of Fission (the “**Shares**”) for the Consideration (as defined herein) by way of a court approved plan of arrangement (the “**Arrangement**”) under the *Canada Business Corporations Act*.

2. Transaction

Under the terms of the Arrangement, shareholders of Fission (the “**Shareholders**”) will receive 0.1076 (the “**Exchange Ratio**”) of a common share of Paladin (“**Paladin Shares**”) for the purposes of effecting the Arrangement (the “**Consideration**”) for each Fission Share held. Fission’s optionholders will receive, for each option, within the meanings attributed to those terms in the Arrangement, the number of Paladin Shares (rounded down to the nearest whole number) equal to (a) the Exercise Price Differential, meaning the amount by which the Offer Price exceeds the exercise price payable under such Option by the holder thereof to acquire one Common Share, in respect of such Option divided by the Offer Price, multiplied by (b) the Exchange Ratio. (“**Option Consideration**”).

The terms and conditions of the Arrangement will be summarized in the Company’s management information circular (the “**Circular**”) to be mailed to Shareholders in connection with a special meeting of the Shareholders to be held to consider and, if deemed advisable, approve the Arrangement.

3. SCP’s Role

By letter agreement dated October 28, 2022, the Company retained SCP to act as financial advisor to the Company (the “**Engagement Agreement**”). Pursuant to the Engagement Agreement, the Board also requested that we prepare and deliver a written opinion addressed to the Board of Directors (the “**Opinion**”) as to whether the Consideration to be received by the Shareholders under the Arrangement Agreement is fair, from a financial point of view, to the Shareholders. Under the terms of the Engagement Agreement, SCP will receive a fee for rendering the Opinion, which is not contingent on the completion of the Arrangement. We will also receive certain fees for our advisory services under the Engagement Agreement, a substantial portion of which are contingent on the completion of the Arrangement. The Company has also agreed to reimburse SCP for its reasonable out-of-pocket expenses and to indemnify SCP in respect of certain liabilities that might arise out of our engagement.

4. **Credentials of SCP**

SCP is a leading and independent broker dealer focused primarily on the natural resource sector. Formed in 2023 after a management led buyout of Sprott Capital Partners, a group that had been operating within Sprott Inc. since 2017, SCP provides a comprehensive suite of capital raising and advisory solutions to natural resources companies. In a short period of time, SCP has become a trusted partner to corporate and institutional clients by leveraging its deep sector expertise, longstanding relationships & best-in-class execution capabilities. SCP has offices in both Toronto, Canada and London, United Kingdom. For more information, please visit www.scp-rf.com.

SCP is a member of the Canadian Investment Regulatory Organization (“**CIRO**”). SCP’s advisory services include the areas of mergers, acquisitions, divestments, restructurings and fairness opinions.

The Opinion expressed herein represents the opinion of SCP and the form and content of this Opinion have been approved by certain senior financial advisory professionals of SCP who have been involved in a number of transactions including the merger, acquisition and divestiture of publicly traded and private Canadian issuers and in providing fairness opinions and capital markets advice in respect of such transactions.

This opinion letter has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of CIRO but CIRO has not been involved in the preparation and review of this opinion letter

5. **Independence of SCP**

As at the date of this Opinion, to the knowledge of SCP, none of SCP, its affiliates or associates, is an insider, associate or affiliate (within the meanings attributed to those terms in the Securities Act (British Columbia)) or a related entity of the Company or Acquiror or any of their respective subsidiaries, associates or affiliates (collectively the “**Interested Parties**”).

SCP is not acting as an advisor, financial or otherwise, to any of the Interested Parties in connection with the Arrangement, other than to the Company pursuant to the Engagement Agreement. Other than acting as co-lead underwriter of a syndicate in respect of a C\$75,000,800 prospectus offering in January 2024, a C\$9,199,999 prospectus offering in October 2023, and a syndicate member of a C\$50,000,000 at-the-market equity offering program in April 2022. SCP has not had any engagements involving the Interested Parties within the past twenty-four months.

There are no other understandings, agreements or commitments between SCP and any of the Interested Parties with respect to any current or future business dealings which would be material to the Opinion. SCP may, in the future in the ordinary course of business, seek to perform financial advisory and/or investment banking services for the Company or any one of its affiliates from time to time. In addition, as an investment dealer, SCP conducts research including on the securities of the Company and may, in the ordinary course of its business, provide research reports and investment advice to its clients on issuers and investment matters, including with respect to an Interested Party and/or the Arrangement.

6. **Scope of Review**

In connection with rendering the Opinion, SCP has reviewed and relied upon, or carried out, among other things, the following:

- a) A draft of the Arrangement Agreement received June 21, 2024 and the schedules attached thereto;
- b) Consolidated annual financial statements and annual report to shareholders of the Acquiror for the fiscal years ended June 30, 2023 together with the notes thereto and the auditors’ reports thereon;
- c) Consolidated annual financial statements and management’s discussion and analysis of the Company for the fiscal year ended December 31, 2023 together with the notes thereto and the auditors’ reports thereon;
- d) The Acquiror’s half yearly report for the period ended December 31, 2023 together with the notes thereto and the auditors’ reports thereon;

- e) The Acquiror's quarterly cashflow reports for the periods ended March 31, 2024 and December 31, 2023;
- f) The Company's interim consolidated unaudited financial statements, and management's discussion and analysis for the period ended March 31, 2024;
- g) The Feasibility Study Technical Report on the PLS Project, with an effective date of January 17, 2023 prepared by Tetra Tech Canada Inc.;
- h) Draft NI 43-101 Technical Report on Langer Heinrich, prepared by AMC Consultants Pty Ltd;
- i) ASX Announcement 'Langer Heinrich Mine Restart Plan' released on 30 June 2020;
- j) ASX Announcement 'Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update' released on November 4, 2021;
- k) The Report on Updated Preliminary Assessment on the Michelin Development Project, with an effective date of August 25, 2009 prepared by AMEC Americas Limited;
- l) The Internal Scoping Study on the Manyingee ISR Project as of April 2012 prepared by Paladin Energy Limited;
- m) Paladin's US\$150,000,000 Syndicated Facilities Agreement executed on January 24, 2024;
- n) Financial models on both the Company and the Acquiror provided by respective management teams;
- o) Certain public disclosure by the Company as filed on the System for Electronic Document Analysis and Retrieval, including press releases issued by the Company;
- p) Certain public disclosure by the Acquiror as filed on the ASX, including press releases and appendices issued by the Acquiror;
- q) Certain public investor presentations and marketing materials prepared by the Company and Acquiror;
- r) Various verbal and written conversations with management of the Company with regards to the operations, financial condition and corporate strategy of the Company;
- s) Certain internal financial, operational, corporate and other information with respect to the Company;
- t) Selected public market trading statistics and financial information of the Company, the Acquiror and other entities considered by us to be relevant;
- u) Other public information relating to the business, operations and financial condition of the Company and the Acquiror considered by us to be relevant;
- v) Other publicly available information relating to selected public companies considered by us to be relevant, including published reports by equity research analysts and industry reports;
- w) Information with respect to selected precedent transactions considered by us to be relevant;
- x) A certificate addressed to us dated as of the date hereof from two senior officers of the Company as to the completeness and accuracy of the Information (as hereinafter defined); and
- y) Such other information, analyses, investigations, and discussions as we considered necessary or appropriate in the circumstances.

SCP did not meet with the independent auditors of the Company and has assumed the accuracy and fair presentation of the financial statements of each of the Company set out above and, as applicable, the reports of the auditors thereon, if any. SCP has not, to the best of its knowledge, been denied access by the Company to any information requested by SCP.

7. Assumptions and Limitations

Our Opinion is subject to the assumptions, qualifications and limitations set forth herein. We have relied upon and have assumed the completeness, accuracy and fair representation of all financial and other information, data, documents, materials, advice, opinions and representations, including information relating to the Company and the Arrangement (the "**Information**") provided to us by or on behalf of the Company and its respective subsidiaries or their respective agents, and this Opinion is conditional upon the completeness, accuracy and fairness of such Information. We have not been requested to, or attempted to, verify independently the accuracy, completeness or fairness of the Information.

Senior officers of the Company have represented to SCP that (i) the Information provided to SCP relating to the Company and the Arrangement was, at the date the Information was provided, true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the Information not misleading in light of the circumstances under which the Information was provided; and (ii) since the respective dates on which the Information was provided to SCP, except as generally disclosed or as disclosed to SCP (including in more current Information), there has been no material change (as such term is defined in the *Securities Act* (British Columbia)) or new material fact, financial or otherwise, relating to the Arrangement, the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries, associates or affiliates or any change in any material fact or in any material element of any of the Information, or new material fact, any of which is of a nature as to render any portion of the Information untrue or misleading in any material respect or which would reasonably be expected to have a material effect on this Opinion. With respect to any portions of the Information that constitute forecasts, projections, estimates (including, without limitation, estimates of future resource or reserve additions) or budgets, such forecasts, projections, estimates or budgets were reasonably prepared on bases reflecting the best then available assumptions, estimates and judgments of management of the Company having regard to the Company's business, plans, financial condition and prospects and were not, as of the date they were prepared, in the reasonable belief of management of the Company, misleading in any material respect in light of the assumptions made therefor.

In preparing the Opinion, we have assumed that the executed Arrangement Agreement will not differ in any material respect regarding the Consideration payable to the Shareholders from the drafts that we reviewed, and that the Arrangement will be consummated in accordance with the terms and conditions of the Arrangement Agreement without waiver of, or amendment to, any term or condition that is in any way material to our analysis.

This Opinion is rendered on the basis of market, economic, financial and general business and other conditions of the Company prevailing as at the date hereof and as reflected in the Information made available to SCP. In our analyses and in connection with the preparation of our Opinion, we made numerous assumptions with respect to industry performance, general business, markets and economic conditions and other matters, many of which are beyond the control of any party involved in the Arrangement. In rendering this Opinion as of the date hereof, SCP has assumed that there are no undisclosed material facts relating to the Company, or their respective businesses, operations, capital or future prospects. Any changes therein may affect this Opinion and, although we reserve the right to change, withdraw or supplement this Opinion in such event or in the event that subsequent developments affect this Opinion, we disclaim any obligation to advise any person of any change that may come to our attention or to withdraw, update, revise or reaffirm this Opinion after the date hereof.

The Opinion is provided to the Board of Directors of Fission for its exclusive use only in considering the Arrangement and may not be used or relied upon by any other person or for any other purpose without our prior written consent. The Opinion does not constitute a recommendation as to how any Shareholder should vote or act on any matter relating to the Arrangement or a recommendation to the Board of Directors to enter into the Arrangement Agreement. Except for the inclusion of the Opinion in its entirety and references thereto and a summary thereof (in a form acceptable to us) in the Circular, the Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent.

While in the opinion of SCP, our assumptions used in preparing this Opinion are reasonable in the current circumstances, some or all of these assumptions may prove to be incorrect. SCP believes that the analyses and factors considered in arriving at this Opinion must be considered as a whole and are not amenable to partial analyses or summary description and that selecting portions of the analyses and the factors considered, without considering all factors and analyses together, could create a misleading view of the process employed and the conclusions reached. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. In arriving at this Opinion, SCP has not attributed any particular weight to any specific analyses or factor but rather based this Opinion on a number of factors deemed appropriate by SCP based on SCP's experience in rendering such opinions. Accordingly, this Opinion should be read in its entirety.

This Opinion only addresses the fairness of the Consideration to the Shareholders as expressly set out in the Opinion. Our Opinion does not address the overall fairness of the Arrangement to the holders of any other class of securities or other constituencies of the Company, or the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors, consultants or employees of the Company in their capacities as such and in connection

with the Arrangement. Our Opinion is not intended to be and does not constitute an opinion concerning the trading price or value of any securities of the Company following the announcement, completion or termination of the Arrangement.

This Opinion does not address the relative merits of the Arrangement as compared to other business or financial strategies that might be available to the Company or any other party to the Arrangement, nor does it address the underlying business decision of the Company, or any other party to the Arrangement, to engage in the Arrangement. SCP is not a legal, regulatory, tax or accounting expert and was not engaged to review any legal, regulatory, tax or accounting aspects of the Arrangement and, accordingly, does not express any view thereon or the sufficiency of this Opinion for your purposes and has assumed the accuracy and completeness of assessments by the Company and its advisors with respect to legal, regulatory, tax and accounting matters. SCP has assumed, with Fission's agreement, that the Arrangement is neither a "related party transaction" nor an "insider bid" as defined in Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"), and, accordingly, with respect to Fission, the Arrangement is not subject to the valuation requirements under MI 61-101.

The Opinion is given as of the date hereof and, although we reserve the right to change or withdraw the Opinion if we learn that any of the Information that we relied upon in preparing the Opinion was inaccurate, incomplete or misleading in any material respect, we disclaim any obligation to change or withdraw the Opinion, to advise any person of any change that may come to our attention or to update the Opinion after the date of this Opinion.

This Opinion does not constitute and should not be construed as a formal valuation of Fission or its securities or assets.

8. Fairness Considerations

In considering the fairness of the Consideration under the Arrangement Agreement from a financial point of view to the Shareholders, SCP principally considered and relied upon, among other things, the following: (a) historical share price trading; (b) precedent transaction analysis; (c) comparable trading analysis; and (d) other qualitative factors.

Historical Share Price Trading:

SCP reviewed the trading history of Fission on the Toronto Stock Exchange taking into consideration the 52-week intraday low to high per share trading price ranges, and other market statistics deemed relevant.

Precedent Transaction Analysis:

The precedent transaction analysis considers transaction multiples in the context of change of control transactions involving public-traded mining companies or assets. SCP has reviewed publicly available information involving the acquisition of uranium mining companies and assets that SCP considered relevant. SCP considered the multiples of price to net asset value ("**P/NAV**") and enterprise value to in-situ uranium resources ("**EV/lb**") to be the most relevant metrics. SCP has also reviewed premiums paid to shareholders of target companies in select change of control transactions considered by SCP to be relevant.

Comparable Trading Analysis:

The comparable trading analysis considers public market trading statistics for select publicly listed non-producing uranium mining companies that SCP considered relevant. SCP considered the multiple of P/NAV and EV/lb to be the most relevant metrics.

Other Qualitative Factors:

SCP has considered other qualitative factors with respect to the Arrangement, including but not limited to the form of consideration received by shareholders, development risks, financing risks and other information which we have judged to be relevant.

9. **Opinion**

Based upon and subject to the foregoing and such other matters as SCP considers relevant, it is the opinion of SCP that, as of the date hereof, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders.

Yours truly,

SCP Resource Finance LP

SCP Resource Finance LP

**APPENDIX G
INFORMATION CONCERNING PALADIN**

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INTRODUCTION

This Appendix is a summary of Paladin Energy Ltd. (“Paladin”), its business, assets and operations, which should be read together with the financial statements of Paladin and the Pro Forma Financial Statements which are included in Exhibit I to this Appendix. The information contained in this Appendix, unless otherwise indicated, is given as at the date of the Circular.

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

Paladin presents its financial statements in United States dollars and discloses certain financial information in this Appendix in Australian dollars, Canadian dollars and United States dollars. In this Appendix, references to “\$” are to Canadian dollars, references to “A\$” are to Australian dollars and references to “US\$” are to United States dollars. Amounts are stated in Canadian dollars unless otherwise indicated. Certain totals, subtotals and percentages throughout this Appendix may not reconcile due to rounding.

The following table sets forth, for each period indicated, the low and high exchange rates for Australian dollars expressed in Canadian dollars, the exchange rate at the end of such period and the average of such exchange rates for each day during such period, based on the daily average exchange rate as reported by the Bank of Canada for the conversion of Australian dollars into Canadian dollars:

	Nine Months Ended March 31,		Year Ended June 30,		
	2024 (\$)	2023 (\$)	2023 (\$)	2022 (\$)	2021 (\$)
Low	0.8602	0.8633	0.8633	0.8861	0.9263
High	0.9038	0.9490	0.9490	0.9474	0.9978
Period End	0.8827	0.9060	0.8814	0.8892	0.9295
Average	0.8836	0.9051	0.9016	0.9182	0.9572

On June 21, 2024, the exchange rate for Australian dollars expressed in Canadian dollars (as reported by the Bank of Canada) was A\$1.00 = \$0.9105.

The following table sets forth, for each period indicated, the low and high exchange rates for United States dollars expressed in Canadian dollars, the exchange rate at the end of such period and the average of such exchange rates for each day during such period, based on the daily average exchange rate as reported by the Bank of Canada for the conversion of United States dollars into Canadian dollars:

	Nine Months Ended March 31,		Year Ended June 30,		
	2024 (\$)	2023 (\$)	2023 (\$)	2022 (\$)	2021 (\$)
Low	1.3128	1.2753	1.2753	1.2329	1.2040
High	1.3875	1.3856	1.3856	1.3039	1.3616
Period End	1.3574	1.3533	1.3240	1.2886	1.2394
Average	1.3506	1.3484	1.3397	1.2659	1.2823

On June 21, 2024, the exchange rate for United States dollars expressed in Canadian dollars (as reported by the Bank of Canada) was US\$1.00 = \$1.3702.

GLOSSARY

Certain terms used in this Appendix shall have the meaning ascribed below. All other capitalized terms used herein and not defined below shall have the meanings ascribed thereto in the section “Glossary of Terms” in the Circular to which this Appendix is attached.

“Acclaim” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“Acquisition” means the acquisition by the Purchaser of all of the Fission Shares pursuant to the Arrangement Agreement.

“AMC” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“Arrangement” means an arrangement under the provisions of Section 192 of the CBCA on the terms and conditions set forth in the Plan of Arrangement as contemplated by the Arrangement Agreement.

“Arrangement Agreement” means the arrangement agreement entered into between Paladin, Purchaser and Fission on June 24, 2024, as amended on July 25, 2024.

“Arrangement Resolution” means the special resolution of the Fission Securityholders approving the Arrangement to be considered at the Meeting, substantially in the form and content of Appendix A to the Circular.

“ASX” means the Australian Securities Exchange.

“Carley Bore Project” has the meaning set forth in this Appendix under the heading *“Description of the Business”*.

“CCD” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“CEO” means Chief Executive Officer.

“CFO” means Chief Financial Officer.

“CIM” means the has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“CIM Code” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“CNNC” means CNNC Overseas Limited.

“Combined Company” means Paladin and all of its subsidiaries immediately after completion of the Arrangement;

“Competent Persons” means an individual who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a ‘Recognised Professional Organisation,’ and has a minimum of five years’ experience working with the style of mineralisation or type of deposit under consideration and relevant to the activity which that person they are is undertaking, as derived from the definition in the JORC Code.

“ECC” has the meaning set forth in this Appendix under the heading *“Description of the Business”*.

“EIA” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“EMP” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“ESG” has the meaning set forth in this Appendix under the heading *“Description of the Business”*.

“Fiscal Year” or **“FY”** means a one-year period that companies use for financial planning and budgeting. Fiscal years are referenced by their end date or end year. To reference a fiscal year, two or four digits corresponding to the year is added after FY, for example FY25 or FY2025 for the fiscal year 2025.

“Fission” means Fission Uranium Corp.

“Fission Shareholders” means at any time, the holders of Fission Shares.

“Fission Shares” means the common shares in the capital of Fission.

“Fundamental Matters” has the meaning set forth in this Appendix under the heading *“Risk Factors”*.

“Gencor” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“Indicated Mineral Resource” has the meanings ascribed by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended.

“Inferred Mineral Resource” has the meanings ascribed by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended.

“JORC Code” means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia, as amended.

“Langer Heinrich” or **“Langer Heinrich Mine”** means the Langer Heinrich uranium mine located in central western Namibia approximately 80km east of Swakopmund and 85km northeast of the Walvis Bay major deepwater harbour.

“LG Reclaim Phase” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“LHMHL” means Langer Heinrich Mauritius Holdings Limited.

“LHU” means Langer Heinrich Uranium (Pty) Limited.

“LOM” means life of mine.

“Manyingee Project” has the meaning set forth in this Appendix under the heading *“Description of the Business”*.

“Measured Mineral Resource” has the meanings ascribed by Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended.

“MEFT” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“Michelin Project” has the meaning set forth in this Appendix under the heading *“Description of the Business”*.

“MIK” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“Mineral Reserves” has the meanings ascribed by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended.

“Mining Phase” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“MJV” has the meaning set forth in this Appendix under the heading *“Three Year History”*.

“Mount Isa Project” has the meaning set forth in this Appendix under the heading *“Description of the Business”*.

“Namibia” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“NI 43-101” means the National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

“NI 51-102” means the National Instrument 51-102 - *Continuous Disclosure Obligations*.

“**NI 52-110**” means the National Instrument 52-110 - *Audit Committees*.

“**NI 58-101**” means the National Instrument 58-101 - *Disclosure of Corporate Governance Practices*.

“**NI 71-102**” means the National Instrument 71-102 - *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*.

“**NNNP**” has the meaning set forth in this Appendix under the heading “*Issuers with Mineral Projects*”.

“**NSX**” means the Namibian Stock Exchange.

“**Offtake Agreement**” has the meaning set forth in this Appendix under the heading “*Offtake Agreement with CNNC*”.

“**Ore Reserve**” has the meaning set forth in this Appendix under the heading “*Issuers with Mineral Projects*”.

“**OTCQX**” means the top tier of the three available markets for over-the-counter trading of shares.

“**Paladin**” has the meaning set forth in this Appendix under the heading “*Introduction*”.

“**Paladin Board**” means the board of directors of Paladin.

“**Paladin Director**” means a director of Paladin.

“**Paladin Shareholders**” means, at any time, the holders of Paladin Shares.

“**Paladin Shares**” has the meaning set forth in this Appendix under the heading “*Corporate Structure*”.

“**Plan of Arrangement**” means the plan of arrangement to effect the Arrangement and any amendment or variation thereto.

“**Pro Forma Condensed Consolidated Financial Statements**” means the unaudited pro forma financial statements of the Combined Company which include (i) a pro forma consolidated financial position as at March 31, 2024; (ii) a pro forma consolidated statement of loss for the year ended June 30, 2023; and (iii) a pro forma consolidated statement of profit or loss for the nine months ended March 31, 2024.

“**Probable Mineral Reserve**” has the meanings ascribed to by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended.

“**Probable Ore Reserves**” has the meaning set forth in this Appendix under the heading “*Issuers with Mineral Projects*”.

“**Proved Ore Reserves**” has the meaning set forth in this Appendix under the heading “*Issuers with Mineral Projects*”.

“**Proven Mineral Reserve**” has the meanings ascribed to by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended.

“**Purchaser**” means 1000927136 Ontario Inc.

“**Qualified Person**” has the meaning ascribed thereto in NI 43-101.

“**Ramp Up Phase**” has the meaning set forth in this Appendix under the heading “*Issuers with Mineral Projects*”.

“**RC**” has the meaning set forth in this Appendix under the heading “*Issuers with Mineral Projects*”.

“Regulatory Approvals” means those sanctions, rulings, consents, orders, waivers, exemptions, authorizations and other approvals of (including the expiry, waiver, termination or lapse, without objection, of a waiting period or prescribed time imposed by Law that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of any Governmental Authority in each case required in relation to or applicable to the completion of the transactions contemplated hereby, including the Key Regulatory Approvals, but excluding the Interim Order and the Final Order.

“Restart Plan” has the meaning set forth in this Appendix under the heading *“Three Year History”*.

“Revolving Credit Facility” has the meaning set forth in this Appendix under the heading *“Material Contracts”*.

“SASB” has the meaning set forth in this Appendix under the heading *“Description of the Business”*.

“Shareholders’ Agreement” has the meaning set forth in this Appendix under the heading *“Material Contracts”*.

“SLR 2023” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“SMU” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“TCFD” has the meaning set forth in this Appendix under the heading *“Description of the Business”*.

“Technical Report” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“Term Facility” has the meaning set forth in this Appendix under the heading *“Material Contracts”*.

“TSF” has the meaning set forth in this Appendix under the heading *“Issuers with Mineral Projects”*.

“TSX” means the Toronto Stock Exchange.

“U₃O₈” means Tri-uranium Octoxide.

“United States” means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

CORPORATE STRUCTURE

Paladin Energy Ltd was incorporated under the ACA on September 24, 1993, as “Paladin Energy NL”. Paladin was originally incorporated under a Memorandum and Articles of Association as a “no liability company”. In February 1994, Paladin completed its initial public offering pursuant to a prospectus in Australia and on March 29, 1994, Paladin commenced trading on the ASX.

Following changes in Australian corporate law, Paladin’s Memorandum and Articles of Association were replaced by a constitution in November 1999. On February 1, 2000, Paladin changed from a no liability company to a limited liability company. At that time, its name changed from “Paladin Energy NL” to “Paladin Resources Ltd”. On November 22, 2007, Paladin changed its name to “Paladin Energy Ltd”.

Paladin listed on the NSX on February 14, 2008. Paladin also trades on the OTCQX market in the United States and is listed on the Munich, Berlin, Stuttgart and Frankfurt Stock Exchanges in Europe (trading under the symbol “PUR”).

Paladin’s registered office and principal place of business is located at Level 11, 197 St Georges Terrace, Perth, Western Australia, Australia 6000. Paladin’s telephone number is +61 (8) 9423-8100 and its website address is <https://www.paladinenergy.com.au>.

Upon the completion of the Arrangement, and subject to approval of the TSX, Paladin anticipates the listing of the fully paid ordinary shares in the capital of Paladin (“**Paladin Shares**”) on the TSX.

The material subsidiaries controlled by Paladin, the jurisdictions of incorporation of those subsidiaries and percentage voting securities held, directly or indirectly, by Paladin, are as follows:

Figure 1 | Paladin Energy Ltd - Company Structure Diagram

Subsidiary Name	% votes attaching to all voting securities beneficially owned/controlled directly or indirectly	% of each class of restricted securities beneficially owned/controlled directly or indirectly	where subsidiary was incorporated, continued, formed, organized
Langer Heinrich Mauritius Holdings Ltd	75%	75%	Mauritius
Langer Heinrich Uranium (Pty) Limited	75%	75%	Namibia
Paladin Finance Pty Ltd	100%	100%	Australia

DESCRIPTION OF THE BUSINESS

General

Paladin is a uranium resource issuer primarily engaged in the growth and advancement of its core asset, Langer Heinrich Mine which is a globally significant, long-life uranium operation. Beyond the Langer Heinrich Mine, Paladin also owns a large global portfolio of uranium exploration and development assets.

Material Property

Namibia - Langer Heinrich Mine

The Langer Heinrich Mine is located in central western Namibia, approximately 80km east of Swakopmund and 85km northeast of the Walvis Bay major deepwater harbour. Langer Heinrich is a surficial calcrete type uranium deposit containing a JORC Code (2012) compliant Mineral Resource of 140Mt containing 128.1Mlb U₃O₈ at a grade of 415ppm U₃O₈ and 41.5Mlb V₂O₅ at grade of 135ppm V₂O₅ at a cut-off of grade of 200ppm U₃O₈ with a cut-off grade

of 250ppm U₃O₈ applied to stockpiles. The deposit is situated in the 15km long paleo drainage system located within the Gawib River valley between the Langer Heinrich and Schifferberg mountains. The Langer Heinrich Mine Ore Reserves are estimated at 84.8Mt at a grade of 448ppm U₃O₈ containing 83.8Mlb U₃O₈.

The Langer Heinrich Mine is owned 100% by LHU, a company registered in Namibia. Through subsidiary holding companies, LHU is beneficially owned 75% by Paladin and 25% by CNNC Overseas Limited (“**CNNC**”), a subsidiary of China National Nuclear Corporation. The Langer Heinrich Mine is held in two mining licences: ML140 and ML172.

The Langer Heinrich Mine transitioned to care and maintenance in August 2018, however on July 19, 2022, Paladin announced the decision to return the Langer Heinrich Mine to production. On March 30, 2024, Paladin announced that uranium concentrate production and drumming were achieved at the Langer Heinrich Mine, and Paladin shifted focus to production ramp-up and building a finished product inventory. The first shipment to customers was on July 12, 2024.

Portfolio of Exploration and Development Assets

Canada - Michelin Project

Paladin, through its wholly owned subsidiary, Aurora Energy Ltd, holds 100% of the rights to 52,250 hectares of mineral claims within the Central Mineral Belt of Labrador, Canada, approximately 140km north of Happy Valley-Goose Bay and 40km southwest of the community of Postville (the “**Michelin Project**”). The Michelin Project is an advanced exploration asset located in a premier mining jurisdiction. Paladin will commence a pre-feasibility study on the Michelin Project in FY2025 to determine the preferred approach for progressing development and exploration pathways.

The mineral claims in the Michelin Project cover a significant area of prospective ground over the Central Mineral Belt of Labrador. The claims contain 105.6Mlb U₃O₈ Measured and Indicated Mineral Resources as well as an additional 22Mlb U₃O₈ Inferred Mineral Resource in six deposits. The largest of these deposits are in the Michelin Project, which contains a total JORC Code (2012) compliant Mineral Resource of 92.0Mlb U₃O₈, 82.2Mlb of which is classified measured and indicated. Michelin is still open along strike and at depth. Cut-off grades for all deposits except Jacques Lake reflect the use of open cut (200ppm) and underground (500ppm) mining methodologies in the determination of prospects for eventual economic extraction. For Jacques Lake, there was insufficient Mineral Resources remaining after pit optimisation studies to warrant any portion being considered for underground mining.

Queensland - Mount Isa Project

The Mount Isa Project, which is wholly owned by Paladin, is located 40km north of Mount Isa and consists of six mineral development licences (the “**Mount Isa Project**”). The Mount Isa Project includes 10 deposits containing 106.2Mlb U₃O₈ Measured and Indicated Mineral Resources as well as 42.2Mlb U₃O₈ Inferred Mineral Resources at a cut-off grade of 250ppm U₃O₈ for all deposits except Valhalla, which utilised a cut-off grade of 230ppm U₃O₈.

Western Australia - Manyingee Project

The Manyingee Project is located in the north-west of Western Australia, 1,100km north of Perth and 85km inland from the coastal township of Onslow, whereby Paladin holds three mining leases covering 1,307 hectares (the “**Manyingee Project**”). The Manyingee Project contains an Indicated Mineral Resource of 15.7Mlb U₃O₈ grading 850ppm and an Inferred Mineral Resource of 10.2Mlb U₃O₈ grading 850ppm (JORC Code (2012) compliant) at a cut-off grade of 250ppm U₃O₈.

Western Australia - Carley Bore Project

The Carley Bore Project is located approximately 100km south of Manyingee in Western Australia, whereby Paladin holds two contiguous exploration licences with granted retention status (the “**Carley Bore Project**”). The Carley Bore Project deposit contains JORC Code (2012) compliant Mineral Resources, 5.0Mlb U₃O₈ grading 420ppm in the indicated category and 10.6Mlb U₃O₈ grading 280ppm in the inferred category at a cut-off grade of 150ppm U₃O₈.

Distribution Methods

Paladin's main source of revenue is the sale of uranium, however the Langer Heinrich Mine achieved uranium concentrate production and drumming as of March 30, 2024, therefore minimal revenue has been generated to-date. Revenue is measured based on the consideration specified in a contract with a customer. Paladin's sales arrangements with its customers are pursuant to enforceable contracts that provide for the nature and timing of satisfaction of performance obligations, including payment terms and payment due dates. Each delivery is considered a separate performance obligation under the contract.

Paladin recognizes revenue when it transfers control over a good or service to a customer. This occurs upon transfer title over uranium concentrates. As stipulated in Paladin's sales contracts with its customers, title transfer takes place when uranium concentrates are book transferred to a customer at a conversion facility or when the uranium concentrates are physically delivered to a customer.

Revenue

For the financial year ended June 30, 2023, Paladin had zero revenue from the sale of uranium, and in the financial year ended June 30, 2022, Paladin had a revenue of US\$4.7 million from the sale of uranium.

Production

The Langer Heinrich Mine restarted production in March 2024 after a period in care and maintenance. The Langer Heinrich Mine previously operated successfully for 10 years to 2018 and the restart operation is not materially different to the previous operation. The restart comprises an initial period of stockpile reclaim followed by returning to open pit mining which will be undertaken on a contract mining basis, the same as during the earlier period of production to 2018.

Specialized Skill and Knowledge

Paladin's success depends on its ability to identify, attract, accommodate, motivate and retain additional suitably qualified personnel. The number of persons skilled in the acquisition, exploration, development and operation of mining properties is limited and competition of such persons is high.

The Langer Heinrich Mine employs an owners team of operation management and technical personnel to oversee the mining and processing operations. Historically, open pit mining and crusher feed has always been completed by contractors. Management, supervision, processing plant maintenance and operators, administration and mine technical services are being undertaken by employees of LHU.

Competition Conditions

Paladin competes with other companies that operate in the uranium industry. While uranium production is international in scope, there are only a small number of companies operating in relatively few countries. In 2023, world mine production was estimated at 140 million pounds U_3O_8 . Over 80% of estimated world production was sourced from four countries: Kazakhstan (39%), Canada (21%), Namibia (11%) and Australia (9%).

Nuclear energy is in direct competition with other more conventional sources of energy, including gas, coal, and hydroelectricity and is the subject of negative public opinion due to political, technological and environmental factors. This may have a negative impact on the demand for, and the price of, uranium.

Economic Dependence

Paladin's single largest offtake agreement for up to 25% of annual production at the Langer Heinrich Mine is at market-related prices for the mine life. Paladin has six other offtake agreements in place, which contain a mix of pricing mechanisms including base-escalated, fixed and market-related prices. Additionally, one long-term supply

agreement is currently under negotiation. Combined, these agreements represent about 50% of expected uranium production from the Langer Heinrich Mine through 2030.

Paladin has a number of supply and service agreements with counterparties in Namibia required for the operation of the Langer Heinrich Mine. These are agreements with NamWater for the supply of water, NamPower for the supply of power and NamCor for the supply of low sulphur fuel to site. Paladin is also in the process of appointing a mining services contractor ahead of scheduled Restart Plan the Langer Heinrich Mine. Trollope Mining Namibia is currently contracted for the stockpile reclaim phase of the operation. See “*Material Contracts.*”

Changes to Contracts

Paladin’s business may be temporarily affected by the renegotiation or termination of any of the supply or services agreements, including the reduction or halting of production until alternative arrangements are executed.

Environmental Protection

Paladin believes that sound environmental, safety and occupational health management practices are in the best interests of its business, its employees, its shareholders and the communities in which it operates. Paladin is committed to conducting its business in accordance with recognised industry standards and complying with environmental and occupational health and safety laws and regulations. Achieving this goal is the responsibility of all employees and directors. Paladin incorporates best practice environmental management into the life cycle of its projects from exploration, design, operations through to closure. Paladin is subject to significant environmental regulation in respect to its evaluation and development activities. Paladin aims to ensure that the appropriate standard of environmental care is achieved and in doing so is aware of and complies with all environmental legislation as a minimum standard of environmental stewardship.

Employees

As of June 30, 2023, Paladin had 60 full time employees.

Foreign Operations

The principal activity of Paladin is the operation of the Langer Heinrich Mine in Namibia.

Bankruptcy and Similar Procedures

There have been no bankruptcy, receivership or similar proceedings against Paladin or any of its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings by Paladin or any of its subsidiaries, within the three most recently completed financial years or completed during or proposed for the current financial year.

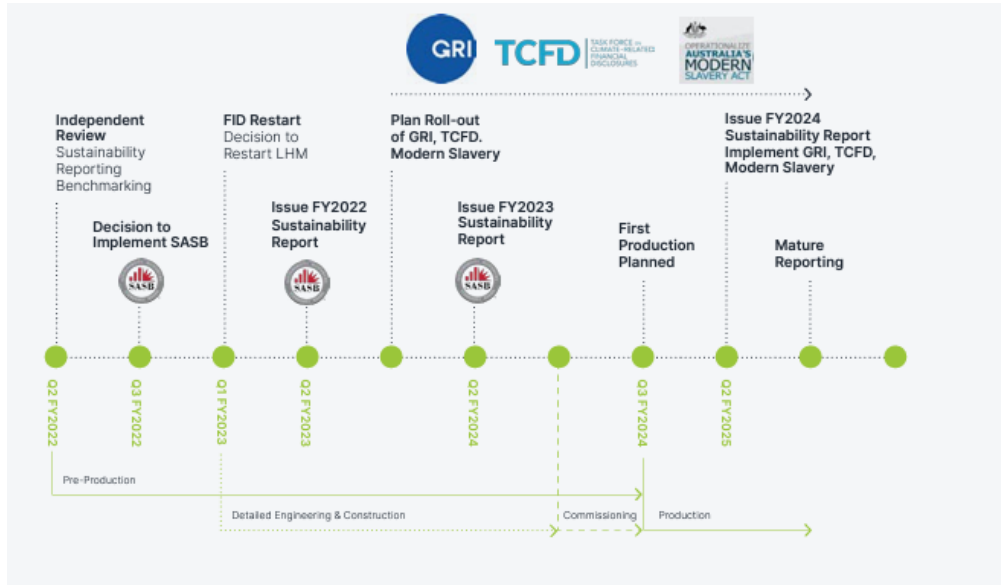
Reorganization

There have been no material reorganizations of Paladin or any of Paladin’s subsidiaries within the three most recently completed financial years as at the date of this Appendix.

Social and Environment Policies

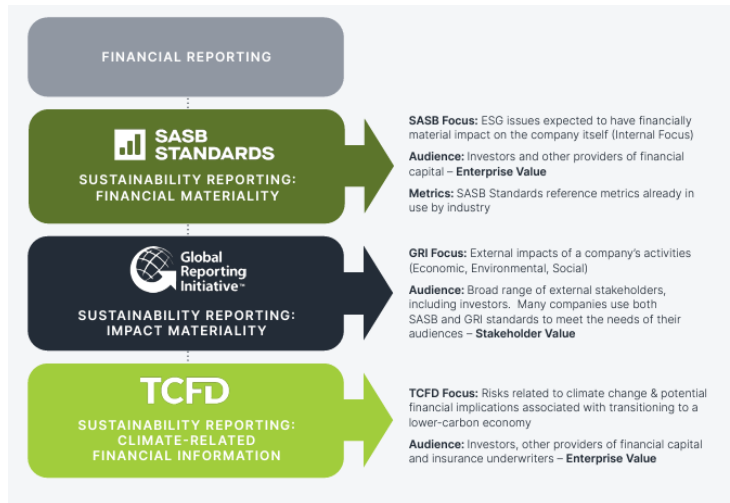
Paladin is wholly committed to a best practice, globally accredited Environmental, Social and Governance (“**ESG**”) framework that sets standards of organisational behaviour. Paladin adopted the Sustainability Accounting Standards Board (“**SASB**”) framework for inclusion in the FY2022 Sustainability Report. Following the decision in July 2022 to return the Langer Heinrich Mine Paladin Energy Sustainability Reporting Road Map to production, the Paladin Board approved the future addition of the Global Reporting Initiative (“**GRI**”) standards and Task Force on Climate-related Financial Disclosures (“**TCFD**”) framework for implementation as production commences at the Langer Heinrich Mine.

Figure 2 | Roadmap for Paladin’s Sustainability Reporting



As Paladin has moved toward production, the structured implementation of these three reporting frameworks (SASB, GRI and TCFD) will increase the level of detail reported over time and will provide a more complete representation of Paladin’s performance to all key stakeholders.

Figure 3 | Focus and Audience of SASB, GRI and TCFD Frameworks



As part of the implementation of the SASB framework, the Paladin executive and management team carried out a materiality assessment informed by inputs taken from Paladin’s existing sustainability, ESG and Risk Management reporting frameworks, SASB sustainability standards for Metals & Mining and benchmarking against peer companies. The result was a list of material ESG topics and priorities relevant to Paladin during the pre-production phase at the Langer Heinrich Mine and the exploration phase for the Canadian and Australian asset portfolio, with additional topics and priorities that will become material now the Langer Heinrich Mine has returned to production.

Figure 4 | Material ESG Topics and Priorities

Material Topics & Priorities	Environmental	Social	Governance
Pre-production	Biodiversity Tailings Management Rehabilitation	Occupational Health and Safety Radiation Diversity Community and Stakeholder Relations	Corporate Governance Business Ethics and Transparency Risk Management Cyber Security Tax Transparency
Production	Air Quality Water Management Waste Management Energy Management Greenhouse Gas Emissions Land Disturbance	Nuclear Safeguards Product Safety and Transportation Labour Practices Employee Opportunities Relationships with Indigenous People	GRI TCFD Modern Slavery Reporting

Paladin is committed to ensuring that projects are delivered with a keen focus on sustainability and reducing Scope 1 and Scope 2 carbon emissions and environmental impact. Paladin aims to minimize its impact on the environment through:

- Effective environmental management across all aspects of its portfolio.
- Preventing, minimising, mitigating and remediating any adverse impacts of its operations on the environment.
- Achieving continuous improvement in environmental performance.

Paladin’s environmental approach is managed through its Environmental Policy with a suite of underlying policies, and management, monitoring and mitigation plans. The policies and guidelines focus primarily on water and land use management, rehabilitation, mineral waste and reducing greenhouse gas emissions. The Langer Heinrich Mine Environmental Policy and underlying policies are being reviewed and updated as the Langer Heinrich Mine returns to production.

The Langer Heinrich Mine produces a Bi-Annual Environmental Management Progress Report to comply with reporting requirements under the Langer Heinrich Mine Environmental Clearance Certificate (“ECC”) issued in August 2020 in compliance with the mining licence obligations, as well as the Langer Heinrich Mine Environmental Management Plan. The bi-annual report is a comprehensive report on environmental monitoring of air, water quality, energy, land-use, radiation, and biodiversity within the Langer Heinrich Mine mining licence areas as well as surrounding community support, as the Langer Heinrich Mine carries out activities within the framework of legal and regulatory requirements. This report is submitted to the Ministry of Environment, Tourism and Forestry, the Ministry of Mines and Energy and the Ministry of Agriculture, Water and Land Reform.

The Langer Heinrich Mine is establishing a baseline of the historical carbon footprint and environmental impact by reviewing the water and fuel consumption and carbon emissions. This is being undertaken to allow the continuation of efforts to minimize the Langer Heinrich Mine footprint and improve Paladin’s operation’s future performance. The Restart Plan incorporated measures to reduce Paladin’s environmental footprint and impacts, including upgraded tailings dewatering, increasing process water return and reducing water loss to tailings. Paladin is reviewing the Langer Heinrich Mine’s historical consumption and emissions data and will set meaningful targets once the footprint has been confirmed during operations.

Recent Development at the Langer Heinrich Mine

The Langer Heinrich Mine re-commenced commercial production on March 30, 2024, following successful completion of the Restart Plan. The first shipment to customers was on July 12, 2024. The Langer Heinrich Mine will be in operational ramp up during Fiscal Year 2025 with ore feed to the plant sourced from previously mined stockpiled ore. Mining activities are expected to re-commence in Fiscal Year 2026 ahead of achieving nameplate production of 6Mlb p.a. by the end of calendar year 2026.

Figure 5 | Key Guidance Metrics for FY2025 at the Langer Heinrich Mine

Production, Cost and Capital (100%)		FY2025
U ₃ O ₈ Produced	Mlb	4.0 - 4.5
U ₃ O ₈ Sold	Mlb	3.8 - 4.1
Cost of Production	US\$/lb	28 - 31
Capital Expenditure	US\$M	26
Non-Cash Items		
Reversal of Previous Stockpile Impairment	US\$/lb	15
Depreciation & Amortisation	US\$M	20 - 22
Supporting Production Metrics		
Tonnes Processed	WMT (million)	4.0 - 4.5
Ore Feed Grade	PPM	470 - 510
Plant Recovery	%	85 – 90

Notes

1. Paladin has a 75% interest in the Langer Heinrich Mine.
2. USD/NAD FX assumption: 18.0.
3. Cost of Production includes stockpile rehandling costs, processing costs and site administration costs, but excludes G&A costs.
4. Government Royalties 3%, Export levy 0.25%, Production Royalty A\$0.12/kg.
5. Shipping costs and converter charges are estimated to average ~US\$1.20/lb.
6. Sustaining Capital includes future TSF preparation work, NIMCIX resin replacement and other items.
7. Reversal of Previous Stockpile Impairment is calculated as average cost per pound, based on the December 31, 2023 impairment reversal on existing stockpiles of US\$92 million. Actual cost per pound will vary based on grade, recovery and contained uranium realised for the period.

Figure 6 | Expected Realised Uranium Price Sensitivities for FY2025 under a Range of Spot Price Assumptions

Realised Price Sensitivity	FY2025
Spot Price (US\$/lb)	Realised Price (US\$/lb)
40	44
60	57
80	71
100	85
120	99
140	112

Notes

1. The analysis is based on 4.1Mlb sales volume and results will vary with different sales volumes.
2. The uranium spot price remains fixed for the whole year.
3. Deliveries based on commitments under contracts include Company estimates of the expected deliveries and flexibility under contract terms.
4. To reflect escalation mechanisms contained in existing contracts, a forecast US inflation rate of 3% p.a. has been assumed.

The information in this section that relates to production targets, forecast financial information derived from a production target, or the Mineral Resource and Ore Reserve estimates for the Langer Heinrich Mine, has been extracted from the announcement entitled “*Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update*” released to the ASX on November 4, 2021 and is available to view on Paladin’s website at www.paladinenergy.com.au and SEDAR+ profile at www.sedarplus.com.

THREE YEAR HISTORY

The following is a summary of Paladin’s operations over the three most recent financial years.

2021

On March 19, 2021, Paladin announced that it had successfully completed an institutional placement and the institutional component of a 1 for 8.5 fully underwritten pro-rata accelerated non-renounceable entitlement offer of new fully paid Paladin Shares. The institutional offer raised approximately A\$192.5 million as part of Paladin's fully underwritten A\$218.7 million equity raise.

On April 14, 2021, Paladin announced the successful completion of the retail component of its 1 for 8.5 fully underwritten accelerated non-renounceable pro-rata entitlement offer of fully paid Paladin Shares. The retail component raised a total of approximately A\$26.2 million.

On May 17, 2021, Paladin announced the appointment of Melissa Holzberger and Joanne Palmer as independent non-executive directors of Paladin effective May 13, 2021.

On June 3, 2021, Paladin announced its upgrade from trading on the Pink Market to the OTCQX Best Market in the United States. Trading commenced on the OTCQX market on June 2, 2021, while continuing to have its primary listing on the ASX.

On June 28, 2021, Paladin announced the appointment of Mr. Jess Oram as General Manager Exploration and Mr. Alex Rybak as General Manager Business Development & Marketing effective July 19, 2021.

2022

On November 4, 2021, Paladin provided an update to the Langer Heinrich Mine Restart Plan (the "**Restart Plan**") and presented an update to the Mineral Resources and Ore Reserve Estimates for the Langer Heinrich Mine.

Highlights of the Restart Plan:

- The Restart Plan confirmed the restart cost estimate of US\$81 million and a 17-year mine life supported by Ore Reserves of 84.8Mt with an average U₃O₈ grade of 448ppm.
- LOM production target increased to 76.8Mlb of U₃O₈ (previously 76.1Mlb).
- Estimated LOM C1 costs updated to US\$27.40/lb (previously US\$26.90/lb), primarily due to increased estimated contract mining rates.
- Paladin confirmed an estimated project execution timeframe of 18 months from project commencement to first production, with full production achieved after a further 15 months.
- The restart work technical programs are now complete and have reinforced Paladin's confidence in Langer Heinrich Mine as a robust, competitive long-life operation ready to rapidly restart production in the right uranium price environment.
- Paladin continues to engage with global nuclear energy utilities with the intent of securing uranium offtake contracts with sufficient duration and value to underpin the restart of Langer Heinrich Mine. Paladin notes an increase in market queries from utilities and an increase in long term market pricing.
- Paladin will now focus attention on exploring value enhancement opportunities at Langer Heinrich Mine and across its broader asset portfolio.

On April 1, 2022, Paladin announced that it had completed an institutional placement of new fully paid Paladin Shares. The placement raised approximately A\$200 million (before costs) through the issuance of approximately 278 million Paladin Shares at an offer price of A\$0.72 per Paladin Share.

On May 3, 2022, Paladin announced that it had completed the share purchase plan announced on April 6, 2022. The share purchase plan was undertaken to raise up to A\$15 million at an issue price A\$0.72 per share.

2023

On March 20, 2023, Paladin announced the appointment of Dr. Jon Hronsky OAM as independent non-executive director effective March 20, 2023.

On May 23, 2023, Paladin announced the appointment of Lesley Adams as independent non-executive director effective May 22, 2023.

On May 30, 2023, Paladin requested that its securities be placed in trading halt with immediate effect pending the release of an announcement by Paladin in relation to an article which included purported statements from the Namibian Mines and Energy Minister regarding in country mining and petroleum assets. Paladin requested the trading halt commence immediately and remain in place until the earlier of Paladin making an announcement regarding the above or commencement of normal trading on June 1, 2023.

On June 2, 2023, Paladin released a copy of the Media Release issued by the Namibian Ministry of Mines and Energy clarifying remarks made by Hon Tom Alweendo during the Workshop.

On July 6, 2023, Paladin announced that it would retain its 75% interest in the Michelin Joint Venture (the “MJV”), having completed the process required under the MJV agreement to use best efforts to sell the entirety of the MJV on commercially acceptable terms.

On October 17, 2023, Paladin announced that it held a 100% interest in the MJV, in Labrador, Canada. This was a 25% increase from Paladin’s previous interest of 75%.

Events Subsequent to June 30, 2023

On January 20, 2024, Paladin commenced production activities with first ore feed into Langer Heinrich Mine following a successful commissioning of the beneficiation circuit.

On January 24, 2024, Paladin executed a US\$150 million syndicated debt facility to provide capital flexibility as Paladin recommences operation at the Langer Heinrich Mine and progresses its growth options.

On January 25, 2024, Paladin announced that the Restart Plan was now over 93% complete with final construction and ongoing commissioning activities continuing across the processing plant.

On April 2, 2024, Paladin announced that uranium concentrate production and drumming were achieved at Langer Heinrich Mine on March 30, 2024. Focus will now shift to production ramp-up and building a finished product inventory, ahead of shipments to customers. As part of the transition to production, Paladin’s Chief Operating Officer, Paul Hemburrow assumed responsibility for all Langer Heinrich Mine activities.

On April 11, 2024, Paladin announced that shareholders of Paladin approved the consolidation of Paladin’s issued capital on a ten for one basis.

On June 24, 2024, Paladin announced that it had entered into the Arrangement Agreement with Fission.

Paladin has applied to list the Paladin Shares on the TSX, subject to satisfaction of certain listing conditions and receipt of TSX approval, following the completion of the Arrangement.

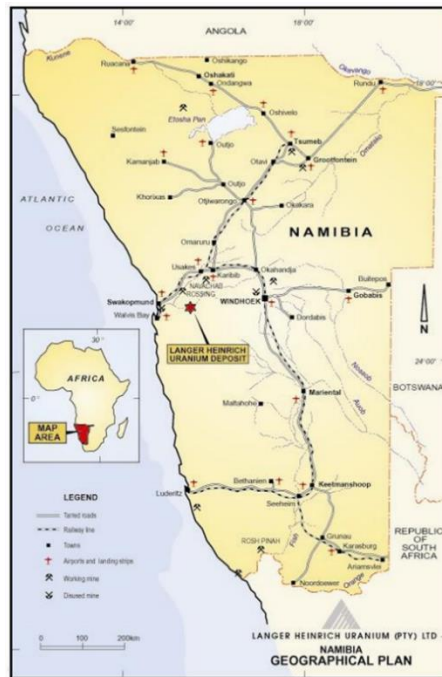
ISSUERS WITH MINERAL PROJECTS

Unless stated otherwise, the information in this section is based upon the technical report entitled “*NI 43-101 Technical Report on Langer Heinrich Uranium Project, Erongo Region, Republic of Namibia*” with an effective date as of July 30, 2024, prepared by D. Varcoe, D. Princep, R. Chesher and S. Dorman (the “**Technical Report**”).

Portions of the following information are based on assumptions, qualifications and procedures, which are not fully described herein. Reference should be made to the full text of the Technical Report, which is available for review on Paladin’s issuer profile on SEDAR+ at www.sedarplus.com.

1. Property Description, Location and Access

Figure 7 | Langer Heinrich Mine Location



The Langer Heinrich Mine is located in the Republic of Namibia (“**Namibia**”) in southern Africa. The Langer Heinrich Mine site is within the Erongo Region, 180 km west of the national capital, Windhoek and 80 km east of the major deepwater seaport at Walvis Bay, a well-established city and the main seaport of Namibia, and the coastal town of Swakopmund (See Figure 7). Land access to the licence area is via sealed district road C28 from Swakopmund and then approximately 20 km from the plant site along a maintained gravel road.

The Langer Heinrich Mine is owned 100% by LHU, a company registered in Namibia. Through subsidiary holding companies, LHU is now beneficially owned 75% by Paladin and 25% by CNNC.

The Langer Heinrich Mine consists of the open pit uranium mines, processing plant, stockpiles, other infrastructure and tailings storage facilities (“**TSF**”). The Langer Heinrich Mine is covered by two mining licences: ML140 and ML172 (See Figure 8).

Figure 8 | Details of Mining Licences

Title No.	Surface Area (ha)	Date Acquired	Expiry Date
ML140	4,375	July 26, 2005	July 25, 2030
ML172	2,999	June 24, 2015	June 23, 2040

The mining licences allow for the mining of the deposit to be carried out. To maintain the licences in good standing, LHU is required to:

- maintain the project database; and
- submit annual financial statements to the Government of Namibia.

The mining licences cover 7,374 ha of state land in the Namib Naukluft National Park (“**NNNP**”). Numerous prospecting and mining activities have been conducted within the park since it was established. There is a government policy for prospecting and mining in protected areas and national monuments in 1999 (the term ‘protected areas’ includes national parks and game reserves). The policy outlines the procedures to be followed before government takes a decision if a prospecting or mining activity may commence. In addition, any proposed mining project shall have to adhere to certain principles of environmental management (SAIEA, 2003). Supplementary conditions that include the implementation of an environmental rehabilitation programme to the satisfaction of the Directorate of Resource Management – Ministry of Environment and Tourism, were imposed on the original Mineral Deposit Retention License MDRL2236.

2. History

The deposit was discovered in 1973. Between 1974 and 1980, General Mining Union Corporation Limited (“**Gencor**”) undertook extensive percussion and diamond drilling, excavated a series of bulk sample test shafts, mined a large-scale costean and trial open pit, operated a trial dry screening plant and undertook detailed metallurgical, engineering and hydrological studies. The Langer Heinrich Mine was mothballed in the mid-1980s after a fall in the uranium price. It was acquired by Acclaim Exploration NL (“**Acclaim**”) in 1998. Acclaim completed infill reverse circulation (“**RC**”) drilling over a portion of the deposit and a pre-feasibility study in 1999-2000. Again, the Langer Heinrich Mine was put on hold due to prevailing uranium prices.

Paladin acquired the operating company, LHU and its assets in August 2002. Paladin has reconstructed all available drillhole data into a digital database that has been extensively checked and validated. The vast majority of sample data available to inform Mineral Resource estimates derive from work undertaken by Paladin between 2003 and 2019. The historical work appears to have been undertaken to a high standard and comparisons of U₃O₈ grades in Gencor’s drilling to grades in test shafts and X-ray fluorescence (XRF) assays and radiometric logging of Acclaim and Paladin drillholes largely support the reliability of the historical data.

Paladin undertook an extensive drilling program in 2004. During 2009 and 2010 an additional drilling campaign was completed with 2,315 RC holes for 50,707 m of drilling to infill all details with an additional 3,663 RC holes for 63,557 m of detailed drilling in the areas scheduled for near-term mining.

From 2010 through to 2016 a programme of pre-mining grade control drilling was undertaken in order to improve the definition of the final mine designs, in all some 38,845 drillholes for 1,371,835 m have been drilled.

The exploration history of the Langer Heinrich Mine is summarised in Figure 9. It includes work carried out by Gencor and Acclaim during the periods that those companies controlled the Langer Heinrich Mine. For further details, please see section 6 of the Technical Report.

Figure 9 | Exploration History of the Langer Heinrich Mine

GENCOR	
1973	Discovery of the Langer Heinrich deposit.
1974-1976	Extensive drilling - 25,000m percussion drilling, 2,000 m diamond drilling to define the initial Mineral Resource.
	32 exploration shafts/pits excavated for Mineral Resource confirmation.
	Investigations confirmed global Mineral Resources of 80.3 Mt grading 0.043% U ₃ O ₈ for 34,520 tonnes U ₃ O ₈ (0.1% cut-off).
	Pre-feasibility study completed with positive results.

1977-1979	Mining, metallurgical, engineering and hydrological studies undertaken.
	Mining tests completed with excavation of two large trenches excavating 83,400t grading 0.13% U ₃ O ₈ .
	Dry screening plant constructed to test ore processing characteristics.
	Pilot plant established and operated for an 18-month test period.
1980	Full project evaluation report completed backed dup with extensive Mineral Resource, metallurgical, mining and engineering work.
1981-1987	Extended drilling to the west that indicates additional mineralization (Detail 7).
ACCLAIM	
1998	Acclaim acquired the Langer Heinrich Mine.
1999-2002	Completed infill RC drilling and pre-feasibility study with positive predicted Langer Heinrich Mine outcomes.
	Langer Heinrich Mine mothballed due to uranium market downturn.
PALADIN	
Aug 2002	Paladin acquired the Langer Heinrich Mine.
Jan 2003	Completion of a full Langer Heinrich Mine review and determination of a development proposal for a revised feasibility study.
	GRD Minproc, Johannesburg selected as engineers to manage the feasibility study.
Oct 2005	Infill drilling Details 1, 2 and 7 completed.
Aug 2006	Plant construction commenced.
Sep 2006	Infill drilling Details 3, 4, 5 and 6 completed.
Sep 2006	Mining commenced.
Mar 2007	Langer Heinrich Mine officially opened by President of Namibia.
Jun 2008	Infill and mineral resource definition drilling completed for all Details.
Nov 2009	Stage 2 processing plant upgrade to 3.7 M lbpa.
Nov 2009	Infill drilling completed in Details 4, 5, and 6.
Jan 2010	Stage 3 processing plant upgrade to 5.2 M lbpa per year commenced.
Jun 2010 - Jan 2016	Infill and mineral resource definition drilling undertaken for all Details.
2014	Acquisition of 25% of LHMHL by CNNC.
June 2018	Langer Heinrich Mine placed on care and maintenance due to prevailing uranium price.
Oct 2019	Completion of a restart pre-feasibility study.
Sep 2020	Commencement of Value Improvement Phase Study.
2021	Developed mine Restart Plan. Updated Mineral Resource and Ore Reserve Estimates.
2022	Execution of uranium offtake agreements.
2023	Updated mine plan based on updated cost data Estimation of updated Mineral Resource and Ore Reserves.
2023	Decisions taken to re-start operations and resume production.
2024	Commence feeding processing plant with stockpile ore.

3. Geological Setting, Mineralization and Deposit Types

The Swakopmund environ forms part of the Damara Belt eugeosyncline. The oldest rocks consist of psammitic rocks of the Nosib Group overlain by several thousand metres of pelitic rocks of the Swakop Group and the Khomas Subgroup all of Neoproterozoic Age. Folding, combined with regional granitisation took place between 650 Ma and 500 Ma. Some of these orogenic granites, for example at Rössing, are uraniferous. Weathering and erosion of the uraniferous granites was the source of uranium that precipitated to form secondary deposits such as at Langer Heinrich.

The lowermost rocks of the Damara Sequence, the pink quartzite of the Etusis Formation of the Nosib Group, form the Langer Heinrich Mountain anticlinorium, a major structure of the area. Overlying the quartzites are schists comprised of rhythmically interbedded, fine-grained metapelite, metagreywacke and calcsilicate beds. Collectively these form the Tinkas Member of the Khomas Subgroup, with a maximum thickness of 3,000 m. The uranium-mineralized Langer Heinrich palaeochannel is principally eroded into the schists. Locally the base of the Khomas

Subgroup is represented by glacial marine sediments of the Chuos Formation of which the thickness varies from 0 m to 250 m.

Langer Heinrich is a calcrete-related uranium deposit associated with valley-fill sediments occurring within an extensive Tertiary palaeodrainage system. The calcretes are limestone deposits formed as chemical precipitates developed under arid to semi-arid climate conditions. At Langer Heinrich, calcretisation has affected a complex sequence of fluviially-derived conglomerates, grits, sandstone, silts and clay deposits worked in a braided stream depositional environment.

Mineralization at Langer Heinrich consists of sub-horizontal carnotite that has been precipitated within clastic valley-fill rock units, which vary from conglomerates through grits and sands to micaceous claystone. In a general way, mineralization becomes finer grained with depth and hence mineralization from beneath the water table is mainly micaceous claystone. Uranium mineralization has been defined along 15 km of the east-west trending palaeovalley and is nearly continuous along this section of the palaeovalley system. The mineralization is still open to the west where the cover is in excess of 40 m.

Carnotite is the only uranium mineral reported at Langer Heinrich. It occurs as finely-disseminated specks, as blebs up to 20 mm thick and coatings in open pore spaces, which are irregularly distributed within the matrix of all host lithologies within the valley. The carnotite occurs preferentially in the less-cemented portions of the host sediments.

Below the water table, mineralization appears to be hosted in a relatively unconsolidated micaceous silt-sand-clay. Mineralogical investigation of the mineralization shows uranium present only as carnotite, the potassium uranyl-vanadate mineral $[K_2(VO_4)_2(UO_2)2 \cdot 3H_2O]$. Carnotite is interstitial to the clastic grains, generally as fine-grained flakes, though larger blebs, clumps and open-space coatings are present. Carnotite occurs preferentially in less-cemented sections of mineralization but shows no relationship to any rock type. It does not occur within the matrix of any of the clasts, whether boulder, sand, or silt size.

4. Exploration

The latest exploration activities in 2019 were restricted to line drilling at selected locations throughout the length of the deposit in order to collect samples for confirmation of the uranium:vanadium ratio. Drilling was also undertaken through TSF 1 in order to both confirm the mineralization below TSF 1 which was historically under drilled and confirm the status of mineralization relative to potential leakage of solutions from TSF 1. Grade control drilling was completed on ore stockpiles in 2023.

5. Drilling

In 2019, the scope of Mineral Resource drilling was:

- To improve the definition of the Mineral Resource under TSF 1 by completing a drilling program on a 50 m by 50 m grid with drillholes designed to intersect the entire potentially mineralized sequence and to stop in basement lithology.
- Confirmatory drilling along lines across extensions to Pit G, Pit H and future Pit J.
- To collect metallurgical data from drill samples to develop a geometallurgical understanding for material that is likely to be processed in the 20 years after restarting operations.
- To collect sufficient data to enable a vanadium Mineral Resource to be reported, based on directly measured V₂O₅ analyses and the uranium to vanadium ratio in carnotite.

RC drilling was completed with sampling either using a cone splitter or riffle splitter. Three sample splits were taken for duplicate and reference samples. Stockpile drilling was conducted in 2019 to provide samples for metallurgical testwork. Stockpile drillholes were geologically logged, downhole gamma logged and sampled at one metre intervals with samples submitted to the external laboratory for analysis using four acid digest and ICP-MS analysis. Preliminary interpretation of the geological logging has contributed to validating the stockpile source pit build models created

as part of the pre-feasibility study. A total of 417 drillholes were completed for 16,219 m drilled of which 120 holes for 1,077 m drilled were pre collared with HQ coring through TSF 1.

Between November and December 2023, LHU completed an infill drilling campaign. A total of 215 drill holes were completed over a 35-day period from the planned 217 drill holes. Downhole gamma probing was conducted by Terratec Geophysical Services. The total meterage was 3,473 m. AMC Consultants Pty Ltd (“AMC”) developed a grade tonnage block model for MG3, based on stockpile drilling completed to 2023, estimating uranium grades and metallurgical parameters such as turbidity and setting rate using an IDW process. Additionally, the created block model was populated with colour and lithology information. The model was intended to assist with metallurgical understanding of the stockpile.

For further details, please see section 10 of the Technical Report.

6. Sampling, Analysis and Data Verification

Samples for all drilling programs were collected through a cyclone and splitter for each metre drilled to give a sample for assays of 3 kg to 4 kg. The sample was further split to produce two assay samples of about 300 g to 500 g each, which were labelled as “A” and “B” samples. Reject sample was used for geological logging, and then was disposed of in the operating pit area. Assay laboratories used by Paladin and LHU are members of recognized international groups (ALS Laboratory Group, SGS, Bureau Veritas, Actlabs) or country specialists (Setpoint) and either had, or were actively pursuing certification to ISO17025.

X-ray fluorescence assays of Acclaim and Paladin RC drill samples are regarded as accurate and precise and they compare very closely to grades derived from down-hole radiometric logging of RC holes. In high-grade mineralization there is a tendency for radiometric logging to return slightly higher U_3O_8 grades. The two types of grade determinations are considered compatible for the purposes of Mineral Resource estimation.

Due to the extent of Paladin drilling from 2004 to 2019 date, the reliance on Gencor-derived data has been very much reduced. A significant proportion of the original Gencor drilling was comprised of relatively short drillholes and these have been replaced by holes drilled to basement depth.

The results returned from the partial leach uranium and vanadium analysis has validated the vanadium values, as a minimum vanadium quantity leachable, within the Mineral Resource estimate with the expectation that a variable amount of additional vanadium should be recoverable from the normal processing.

LHU’s employees were responsible for the collection of all samples from the drill rig and for the splitting of samples prior to dispatch to Intertek, Bureau Veritas or Actlabs. Once dispatched from site all sample preparation and analysis was handled by the laboratory.

The sampling methods, chain of custody procedures, sample preparation procedures and analytical techniques are all considered appropriate and are compatible with accepted industry standards. There were no changes to the processes employed at LHU’s from the acquisition by the company in 2002 through to the present day. It is the opinion of the Qualified Person that all of the assay data used to verify and validate the information derived from downhole radiometric logging is of sufficient quality to be used for that purpose. The vast majority of information used to estimate the Mineral Resources detailed in the Technical Report are based on downhole radiometric logging (supported by confirmatory assays) and is of sufficient quality to allow the derived Mineral Resources to be classified appropriately. Currently, geochemical assays form only 1.27% of the total dataset used for the estimate and are exclusively historical drill holes where downhole radiometric logging is unavailable.

The Gencor and Acclaim data acquired by Paladin consisted of two parts: a large hard copy database containing numerous reports, paper maps and files, and a digital database which includes drillhole data, geochemical assays, downhole logging data, topographic contours, meteorological data and a photographic archive.

The first digital database of the percussion drilling was compiled by Gencor in 1976. When Acclaim acquired the Langer Heinrich Mine, this database was available only as printouts. The electronic version could not be located.

Acclaim endeavoured to digitize all available drillhole data. Drillhole collars were entered from the Gencor printout and other survey sheets. The drillhole survey commissioned by Acclaim in July 1999 confirmed that Gencor drillholes had been correctly reported to within 0.5 m. The new survey data were entered for comparative purposes and the 1999 survey co-ordinates, where available, were used in preference to Gencor's data. A total of 1,889 drillholes, including Acclaim's drilling, were entered into the database. Assay data were compiled in sequence of data confidence with audit trail flags in the database to confirm validity.

7. Mineral Processing and Metallurgical Testing

Uranium mineralization at the Langer Heinrich Mine is associated with calcretisation of valley-fill, fluvial sediments. Calcrete is a chemically precipitated limestone that forms under arid to semi-arid conditions. The primary uranium bearing mineral is carnotite, an oxidized uranium and vanadium mineral. The carnotite occurs as thin films lining cavities and fracture planes and as grain coatings and disseminations in the calcretised sediments. Open pit mining commenced in September 2006 until it was stopped in November 2016 due to the depressed U_3O_8 commodity price. Processing of surface stockpiles continued until the mine was placed under care and maintenance in May 2018.

LHU planned to recommission the plant in March 2024. The mine schedule has been developed around three discrete mining activity periods:

- MG3 phase ("**Ramp Up Phase**") – this period starts from March 2024 and continues for 18 months.
- Mining Phase ("**Mining Phase**") – this is the main period of active mining, commencing after depletion of MG3.
- Stockpiling of low grade (LG) will continue for around 9 years.
- Low grade stockpile reclaim phase ("**LG Reclaim Phase**") – commencing after active mining ceases and running to the end of the mine life.

Plant construction commenced in August 2006 with an initial capacity of 2.6 Mlb per year U_3O_8 . In November 2009, the processing plant was upgraded to 3.7 Mlb per year U_3O_8 capacity, with a further upgrade to 5.2 Mlb per year U_3O_8 in January 2010. Following the Restart Plan value improvement study issued by Lycopodium Minerals Pty Ltd (Lycopodium) in July 2021, the plant was refurbished and upgraded during 2023. The Restart Plan targets a maximum process plant throughput of 5.5 Mtpa and U_3O_8 production of 6.0 Mlb per year during the Mining Phase of the Langer Heinrich Mine.

8. Mineral Resources and Mineral Reserve Estimates

The Langer Heinrich Mine Mineral Resource estimate has been estimated using multiple indicator kriging ("**MIK**"). The estimate was revised in April 2021 using all data available at that time.

The goal of MIK is to estimate the tonnage and grade of ore that would be recovered from each panel if the panel were mined using the selective mining units ("**SMU**") as the minimum selection criteria to distinguish between ore and waste. To achieve this goal, the following steps are performed:

- Estimate the proportion of each domain within each panel. This estimation can be achieved by kriging of indicators of domain classifications of sample data points or by using wireframes. In all details in the Langer Heinrich model, the proportions of each domain in each panel were estimated by indicator kriging.
- Estimate the histogram of grades of sample-sized units within each domain within each panel using MIK. MIK actually estimates the probability of the grade within each panel being less than a series of indicator threshold grades. These probabilities are interpreted as panel proportions.
- For each domain, and for each panel that receives an estimated grade greater than 0 ppm U_3O_8 , implement a block support correction (variance adjustment) on the estimated histogram of sample grades in order to achieve a histogram of grades for SMU-sized blocks. This step incorporates an explicit adjustment for information effect.
- Calculate the proportion of each panel estimated to exceed a set of selected cut-off grades, and the grades of those proportions.

- Apply to each panel, or portion of a panel below surface, a bulk density to achieve estimates of recoverable tonnages and grades for each panel.

For more details, please see section 14 of Technical Report.

The block support adjustment is an important property of a recoverable Mineral Resource model based on non-linear estimation methods such as MIK. It is an essential part of the model and involves important assumptions about the nature of the block grade distribution within each panel of the model.

MIK provides a direct and reliable estimate of the histogram of grades of sample-sized units within each panel of the model provided the panel dimensions are of an appropriate size. However, ore is not selected on sample-sized units during mining. It is selected by shovels that have a minimum mining width and loaded into trucks that are despatched to either ore or waste. The flexibility of digging equipment and the size of the trucking equipment provide an indication of the size of the smallest block of rock that will be mined as ore or waste. To estimate with some accuracy the Mineral Resources in a deposit that will be recovered with a certain set of mining equipment, the histogram of grades of sample-sized units in a panel provided by MIK must be adjusted to account for the size of the SMU.

The size of the variance adjustment needed to obtain the variance of the SMU grade distribution within the panel can be calculated using the rule of additivity of variances, which in the case of SMU support adjustment is often called Krige's relationship:

$$\text{Var (samples in a panel)} = \text{Var (samples in an SMU)} + \text{Var (SMUs in a panel)}$$

The variance of sample grades in a panel and the variance of samples within an SMU can be directly calculated from the variogram of grades for the particular domain. The ratio of Var (SMUs in panel) to Var(samples in panel) is that required to implement the SMU support adjustment.

Variance adjustment ratios applied in estimating Langer Heinrich Mine Mineral Resource are listed in Figure 10. These ratios have been applied using the Lognormal – Normal Correction method (i.e. incorporating symmetrisation of SMU grade distributions). SMU dimensions of 4 mE by 4 mN by 3 mRL and grade control sample spacing of 3.2 mE by 3.6 mN x 1 mRL have been assumed.

Figure 10| Variance Adjustments Applied to the Langer Heinrich Mineral Resource Estimate

Model Location	Panel to SMU Adjustments	Information Effect	Total Ratio
Detail 1, domain 1	0.143	0.801	1.115
Detail 1, domain 2	0.142	0.767	0.165
Detail 2, domain 1	0.152	0.818	0.124
Detail 2, domain 2	0.145	0.781	0.113
Detail 3, domain 1	0.122	0.748	0.091
Detail 3, domain 2	0.072	0.692	0.50
Detail 4, domain 1	0.199	0.821	0.163
Detail 4, domain 2	0.162	0.776	0.191
Detail 5, domain 1	0.121	0.666	0.126
Detail 5, domain 2	0.113	0.706	0.080
Detail 6, domain 1	0.254	0.811	0.206
Detail 6, domain 2	0.114	0.776	0.088
Detail 7, domain 1	0.109	0.888	0.097
Detail 7, domain 2	0.127	0.587	0.075

Panels in the Mineral Resource model were allocated an initial confidence category based on the number and location of samples used to estimate proportions and grade of each panel. The approach is based on the principle that larger numbers of samples, which are more evenly distributed throughout the search neighbourhood, will provide a more reliable estimate. The number of samples and the particular geographic configurations that may qualify the panel as Measured Mineral Resource rather than Indicated or Inferred Mineral Resource are the responsibility of the Qualified Person.

The Mineral Resource estimate for the Langer Heinrich deposit is detailed in Figure 11 at a cut-off grade of 200 ppm U₃O₈, this estimate has been depleted for mining up to November 2021 and covers both uranium and vanadium Mineral Resources. The minor depletion for reclaim activities in 2024 are not depleted from the stated Mineral Resources.

Figure 11 | LHU Mineral Resource Estimate November 2021

Uranium Mineral Resources	Measured			Indicated			Inferred			Paladin Ownership (%)
	Mt	Grade ppm U ₃ O ₈	Mlb U ₃ O ₈	Mt	Grade ppm U ₃ O ₈	Mlb U ₃ O ₈	Mt	Grade ppm U ₃ O ₈	Mlb U ₃ O ₈	
200ppm U₃O₈ cutoff										
Langer Heinrich										
In situ	79.1	450	78.6	23.5	375	19.5	11.0	345	8.4	75
MG ROM Stockpiles*	6.3	510	7.1	-	-	-	-	-	-	75
LG ROM Stockpiles**	20.2	325	14.5	-	-	-	-	-	-	75
Total	105.6	430	100.2	23.5	375	19.5	11.0	345	8.4	75

Vanadium Mineral Resources	Measured			Indicated			Inferred			Paladin Ownership (%)
	Mt	Grade ppm V ₂ O ₅	Mlb V ₂ O ₅	Mt	Grade ppm V ₂ O ₅	Mlb V ₂ O ₅	Mt	Grade ppm V ₂ O ₅	Mlb V ₂ O ₅	
200ppm U₃O₈ cutoff										
Langer Heinrich										
In situ	79.1	145	25.5	23.5	120	6.3	11.0	115	2.7	75
MG ROM Stockpiles*	6.3	165	2.3	-	-	-	-	-	-	75
LG ROM Stockpiles**	20.2	105	4.7	-	-	-	-	-	-	75
Total	105.6	140	32.5	23.5	120	6.3	11.0	115	2.7	75

Note:

*MG is medium grade

**LG is low grade

The Langer Heinrich Mine consists of the open pit uranium mines, processing plant, stockpiles, other infrastructure, and TSF.

The 2021 Mineral Resource estimate block model was developed by adjusting the change of support correction in the multiple indicator kriging estimate. The adjustment was completed to simulate the mining dilution and ore loss that AMC suggested would better match the historical mining reconciliation performance.

Based on the mine planning work and the positive Langer Heinrich Mine economics the November 2021 Ore Reserve for the Langer Heinrich Mine is reported according to the JORC Code. The Ore Reserve was estimated from the Mineral Resource after consideration of the level of confidence in the Mineral Resource and after taking account of relevant modifying factors.

Mineral Resources and Ore Reserves reported in the Technical Report were estimated and classified in accordance with the JORC Code. The JORC Code is an acceptable foreign reporting code consistent with the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”), as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council (“**CIM Code**”). The confidence categories assigned under the JORC Code were reconciled to the confidence categories in the CIM Definition Standards – for Mineral Resources and Mineral Reserves May 2014. The confidence categories between CIM and JORC are the same, and therefore there is no requirement for modification of the confidence categories. The term Ore Reserve (“**Ore Reserve**”) defined by the JORC Code is equivalent to the term Mineral Reserve defined by the CIM Code, Proved Ore Reserve (“**Proved Ore Reserves**”) has the same meaning as Proven Mineral Reserve and both codes use the term Probable as the second category for Ore Reserves/ Mineral Reserves (“**Probable Ore Reserves**”).

Proved and Probable Ore Reserves are estimated directly from the Measured and Indicated Mineral Resource respectively. No Inferred Mineral Resources have been included in the Ore Reserve or the mine plan. Figure 12 shows a summary of the Ore Reserve on a 100% project basis. The Ore Reserve is estimated at November 2021 using a

metal price of US\$50/lb U₃O₈. The Ore Reserve estimate has been adjusted to account for material mined to 2021 and includes mineralized material stored on stockpiles. Paladin has demonstrated the Langer Heinrich Mine presents a positive net present value and considers that the Project Restart will be able to be financed.

The November 2021 Ore Reserve estimate for the Langer Heinrich Mine is 84.8 Mt grading 448 ppm U₃O₈ containing 83.8 Mlb U₃O₈. This Ore Reserve estimate is calculated using a 250 ppm U₃O₈ cut-off grade. The minor depletion for reclaim activities in 2024 are not depleted from the stated Mineral Reserves.

Figure 12 | November 2021 Langer Heinrich Ore Reserve Estimate

Location	Classification	Tonnes (Mt)	Grade U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (Mlb)
Pits	Proved	48.3	488	52.0
Pits	Probable	10.0	464	10.2
Stockpile	Proved	26.5	369	21.6
Total	All	84.8	448	83.8

9. Mining Operations

AMC undertook a review of the geotechnical information available for the Langer Heinrich Mine and the current performance and condition of the pit slopes. The review and the assessment of the pit slope stability was used to estimate strength parameters which were used to recommend pit slope design parameters. AMC notes there is currently limited available in situ geotechnical data and has recommended additional drilling and testing be undertaken to support future pit design processes with more robust data. Back analysis of existing pits provided useful stability analysis.

Based on the back analysis of existing data and a factor of safety assessment, the pit slope design parameters as shown in Figure 13 are recommended.

Figure 13 | Pit Slope Design Parameters

Parameter	Wall Height < 60 m	60 m < Wall Height < 90 m
Batter face angle	62°	62°
Bench height	9 m	9 m
Berm width	5 m	5 m
Overall slope angle	45°	41°
Geotechnical berm width	N/A	15 m

AMC undertook pit optimization studies using the in situ Measured and Indicated mineral inventory to provide guidance for detailed pit designs.

Pit optimization is driven by a block-by-block analysis of economic drivers such as revenues, royalties, operating costs and uses pit geometry based on the pit slope angles. The pit optimization is based on the Measured and Indicated ore blocks only. A fixed cut-off grade of 250 ppm U₃O₈ was used to determine the mining inventory.

Strategic life-of-mine (“**LOM**”) mining and processing schedules were completed using Minemax Scheduler, a long-term strategic mine scheduling software package used to determine the optimum mining sequence and ex-pit material movement requirements to deliver consistent ore feed to the processing plant and achieving target production levels of product. The following constraints were applied:

- Maximum pit total material movement rate of 37 Mtpa.
- Maximum total material moved rate of 39 Mtpa, including stockpile movement and barren sand relocation.
- Commence the mine plan with the reclaiming of MG3 stockpile.
- Maximum processing plant throughput rate of 5.5 Mtpa, ramping up over the course of four years.
- Target steady U₃O₈ production of over 6.0 Mlb per year.

Open pit mining contractor budget bids were received and analysed and an average of costs from three preferred contractors was developed. This average cost was used as the mining cost provided with the mining schedule. LOM costs inclusive of mobilization and demobilization, relocating TSF 1, rehandling plant rejects and stockpile reclaim were developed for upload to Paladin financial models.

Total annual U₃O₈ production is shown in Figure 14, year 1 is FY2025.

Figure 14 | Total U₃O₈ Production by Year

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Total
Total U ₃ O ₈ Production (MIB)	4.3	5.6	6.1	6.1	6.0	6.1	6.1	6.1	5.2	3.8	3.5	3.5	3.4	3.3	3.3	3.1	1.5	76.8

10. Processing and Recovery Operations

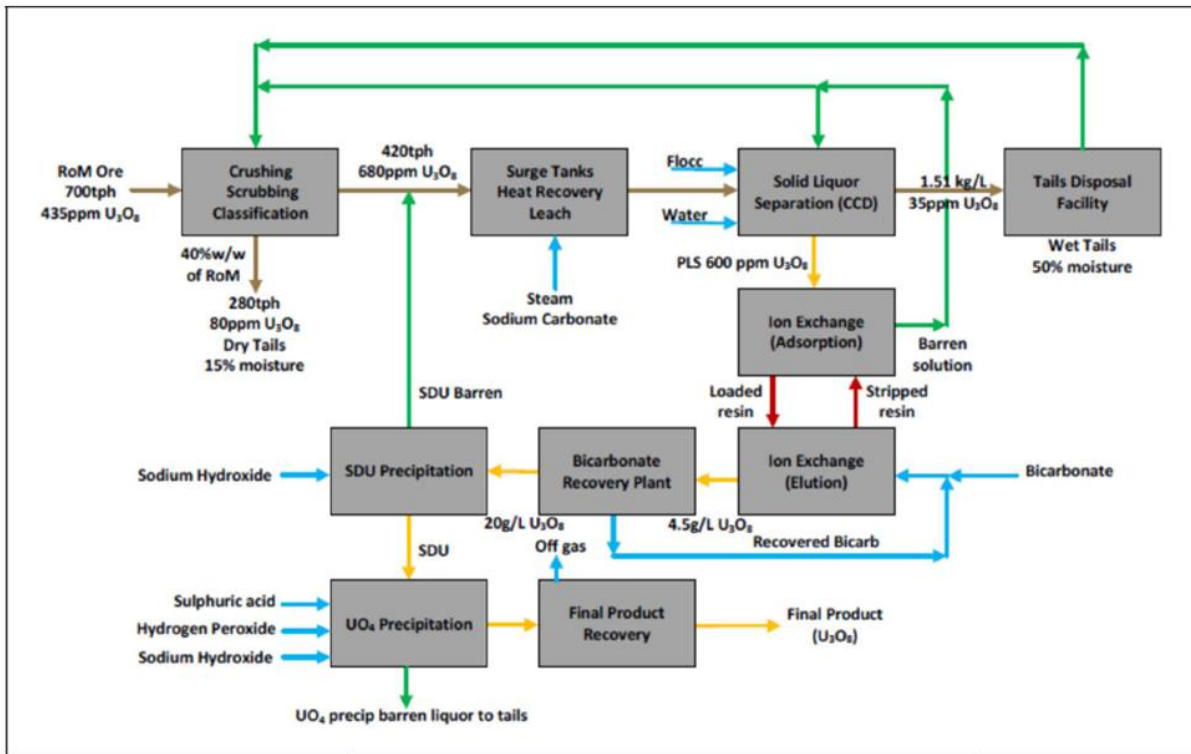
The processing facility includes the following unit processes:

- Ore receipt/Run of mine (ROM) pad.
- Crushing.
- Scrubbing, screening & classification, with discard of the coarse fraction.
- Pre-leach thickening of the fine fraction.
- Sodium carbonate (Na₂CO₃) leaching at 90°C.
- Counter current decantation (“**CCD**”).
- Washed CCD solids to tailings storage.
- CCD solution to ion exchange, ion exchange using NIMCIX (National Institute of Metallurgy (now Mintek) Continuous Ion Exchange) technology as well as fixed-bed columns.
- Ion exchange resin elution with sodium bicarbonate.
- Sodium bicarbonate recovery using ultra-filtration and nano-filtration membranes.
- Sodium diuranate precipitation.
- Sodium diuranate dissolution.
- Uranyl peroxide (UO_{4.n}H₂O) precipitation.
- Uranyl peroxide (UO_{4.n}H₂O) dewatering, calcination to U₃O₈ and drumming of final product for shipment to converters.

Final product specification is >97% U₃O₈.

A block flow diagram of the Langer Heinrich Mine process plant is presented in Figure 15.

Figure 15 | Langer Heinrich Process Block Flow Diagram



Although certain process, reagent and utility stream changes have been implemented for the Restart Plan, the flowsheet does not deviate fundamentally from that operated until closure in 2018. In targeting increased throughput and improved efficiency, certain equipment has either been replaced with new equipment, modified or removed. For more details, please see section 17 of the Technical Report.

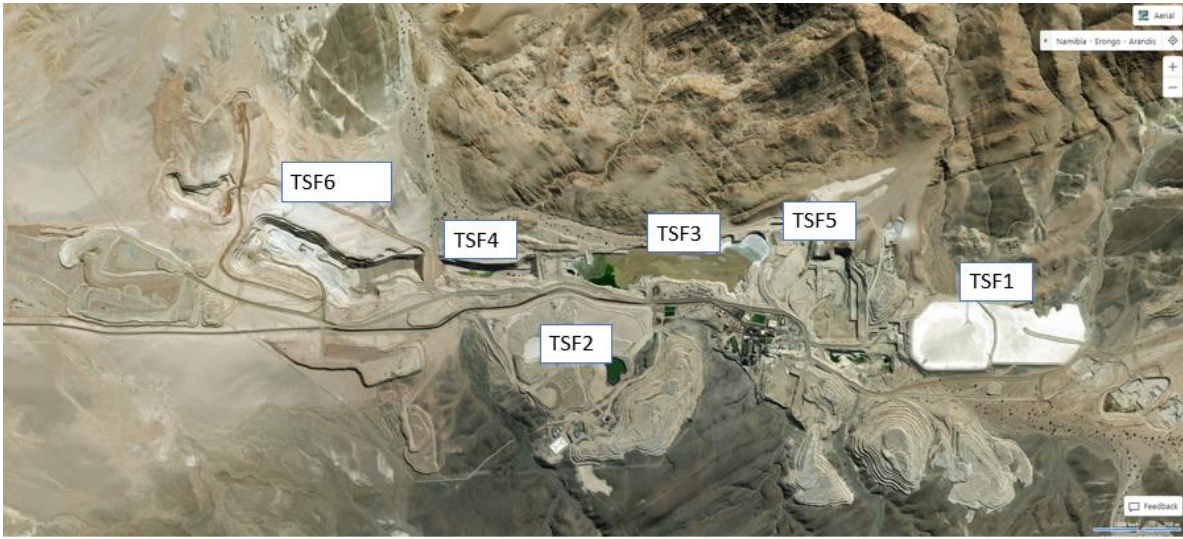
11. Infrastructure, Permitting and Compliance Activities

The Golder Report titled “*Langer Heinrich Mine Restart Tailings Management Prefeasibility Study*”, dated August 30, 2019, as well as the SLR Report titled “*Tailings Storage Facilities: Requirements for Operational Readiness and GISTM Conformance*,” dated July 5, 2023 (“**SLR 2023**”) was prepared to commence development and design on the tailings infrastructure, based on the mine plan schedule driving the proposed new TSFs.

SLR 2023 detailed the pit and TSF infrastructure already developed which includes the following facilities, which are shown on the Google map in Figure 16.

- TSF 1 and the TSF 1 extension.
- TSF 2.
- TSF 3.
- Pit C.
- Pit F and Pits G.
- Pit H (future TSF 6).
- Note: TSF 4 is currently an abandoned open pit that was designated for future tailings disposal.

Figure 16 | Tailings Facilities Layout



The infrastructure at the Langer Heinrich Mine was established during the previous operation before the care and maintenance shutdown. As such, most of the required infrastructure is in place. Infrastructure that is typical of any mine site:

- Change rooms.
- Laundry.
- Wastewater treatment plant.
- Potable water supply.
- Tea rooms.
- Fuel bunkering – diesel, heavy fuel oil (HFO), petrol.
- Fuel dispensing – mainly pertaining to the mining operation.
- Oil storage and dispensing.
- Waste oil removal facilities.
- Offices and meeting rooms.
- IT infrastructure.
- Off-site communications.
- Stores for spares, etc.

The general infrastructure required to operate the mine is already in place. Some areas may require expansion due to the larger workforce in comparison to the previous operation. However, these adjustments pose low risks and involve minimal costs. The exceptions are the water and power networks, which will be addressed below.

Water for the operations is provided by NamWater. An offtake agreement exists for NamWater to supply water to the operations; however, additional capacity is required to support the current planned production ramp-up. LHU has already engaged NamWater to secure the additional capacity. In terms of the water contract the mine has allowed the construction of additional storage of approximately nine days supply to mitigate any delivery risks. The mine has two sources of water, namely:

- NamWater – Supply via an 83 km pipeline, with two booster pump stations. The pipeline is 300 mm ductile cast iron pipeline with a pressure rating of 40 bar. The average instantaneous delivery rate of this system was 236 m³/h prior to care and maintenance. This system was upgraded to enable delivery rates of 300 m³/h.
- Swakop River abstraction system. This system was also upgraded with the addition of a booster station.

Power is supplied by NamPower, with the current agreement specifying a supply of 12 MVA to LHU. NamPower delivers electricity through a 66 kV overhead power line originating from the Kuiseb Substation. This power is distributed through two 11 kV, 3-Phase, 50 Hz incomers, each of which is connected to its respective transformer. These transformers are rated at 66 kV/11 kV/10 MVA and are located within the NamPower Switch Yard. The incomers are linked to their respective incomer circuit breakers at the main 11 kV switchboard situated in the primary 11 kV substation. As of the most recent data, the agreed-upon notified maximum demand (NMD) with NamPower stands at 12 MVA, while the current power consumption hovers around 7.5 MVA but is expected to increase to 12 MVA in 2025 as production ramps up.

LHU is located within the NNNP, 90 km east of Walvis Bay in Namibia’s Erongo Region. Land uses within the NNNP are mainly conservation and tourism, and a few mines are located in the NNNP. Most social facilities and mine employee accommodation is located in Swakopmund, some 90 km west of the mine.

There are no communities directly neighbouring the mine lease area. The relative distances to the nearest communities are as follows:

- Closest inhabited farm, Modderfontein, is 15 km north of Langer Heinrich Mine.
- Swakop River farming community is 50 km downstream of Langer Heinrich Mine.
- Arandis is 50 km from Langer Heinrich Mine.
- Swakopmund is 90 km from Langer Heinrich Mine.
- Walvis bay is 90 km from Langer Heinrich Mine.
- The Topnaar Nama community are located along the Kuiseb River are between 80 and 100 km from Langer Heinrich Mine.

LHU has a comprehensive understanding of the Namibian regulatory framework and its application, as evidenced by its ability to obtain and maintain the necessary approvals. The mine has an environmental legislation register and a permit register, which are updated on an ongoing basis. Procedures are in place to monitor compliance with these requirements. The status of existing approvals relevant to the operations are provided in Figure 17.

Figure 17 | Key Regulatory Environmental Approvals

Environmental Licence/Permit	Validity
Mining Licence 140 (ML 140)	2030
Mining Licence 172 (ML 172)	2040
2021 ECC for ML 140/172	2023. Renewal application submitted in July 2023.
ECC for others (Consumer fuel storage, water treatment plant etc.)	Indefinite

The following Environmental Impact Assessments (“EIA”) were conducted for LHU in accordance with Namibian law and International Finance Corporation’s Performance Standards requirements:

- 2004/2005 EIA prior to commencement of mining activities at Langer Heinrich Mine (Stage 1).
- 2008 Stage 2 expansion EIA.
- 2009 Stage 3 expansion EIA (this was a comprehensive EIA which included a reassessment of environmental and socio-economic impacts, as well as a cumulative impact assessment of the Stage 1 and 2 operations and the proposed expansion).
- 2011 Stage 4 expansion EIA (included a cumulative assessment and an evaluation of environmental issues relating to the closure phase).

Subsequently, LHU has renewed the ECC in fulfilment of the three-year renewal obligation. The latest ECC was issued by the Ministry of Environment, Forestry and Tourism (“MEFT”) on the basis of an approved renewal application on August 27, 2020 and is valid until August 27, 2023. Another renewal application was submitted to MEFT on July 28, 2023 by Namisun Environmental Project and Development Consultants acting on behalf of LHU. The renewal application included an amended Environmental Management Plan (“EMP”) based on a reassessment of

environmental and socio-economic impacts. The process followed was discussed with the MEFT Environmental Commissioner on March 27, 2023.

It is noted that the mining licences (ML 140 and ML 172) were granted within a National Park, which was established in 1907. The mining licences were originally issued in 2005 by the Government of Namibia. LHU is required to meet all relevant laws including environmental legislation which mandates ESIA's for new project activities and ECC renewals. The mine needs to comply with the ECC and EMP conditions, which take cognisance of its position within a National Park.

The Namibian government does not currently have a defined decommissioning framework; however, a draft framework for closure has been drafted and will soon be enacted. However, the LHU EMP and the environmental impact assessment make note of the various actions and commitments for the decommissioning and closure phase.

12. Capital and Operating Costs

The cost estimates in this section are provided on a 100% LHU basis. Paladin owns a 75% interest in LHU.

The Restart Plan, that commenced in July 2022, had capital expenditure estimated at US\$125 million. LHU commenced production on March 30, 2024, and the remaining Restart Plan expenditure costs remain within forecasts. The Restart Plan included a large repair and refurbishment scope, as well as growth projects focused on debottlenecking the plant.

LOM capital costs include costs for sustaining and rehabilitation capital. The estimated life-of mine sustaining capital costs are US\$159 million, including:

- TSF maintenance and development costs:
 - The sustaining capital expenditure for TSF's is expected to ramp up in mid-2025 to mid-2027, due to the removal of TSF1 over this period. After 2027, the sustaining capital expenditure for TSF's is expected to continue at a fairly consistent level of expenditure for the remainder of the LOM.
- Resin replacement:
 - Expenditure on resin will peak when the NIMCIX resin is replaced during the first half of 2025. From 2026, the sustaining capital expenditure on resin is expected to remain relatively for the remaining LOM.
- Life-of-mine plant maintenance
- Light vehicle fleet maintenance
 - Plant, light vehicle fleet maintenance costs ramp up during 2024 and 2025 as operations commence and production ramps up. Following the first initial years, expenditure reduces on a monthly basis, with peaks at specific periods as fleet and other equipment are replaced, including the replacement of the light vehicle fleet every five years. This capital expenditure ramps down significantly towards the end of the life of the mine, as the vehicles and equipment are no longer required to be replaced.
- IT infrastructure costs

Rehabilitation capital expenditures are estimated at US\$90 million over the LOM and expected to be incurred at a fairly consistent level until the end of the mining period, followed by a reduction in expenditure for a short period, until a ramp up in expenditure towards the last years of the Langer Heinrich Mine's production.

The total capital cost estimate as of March 31, 2024 for the Langer Heinrich Mine is summarized in Figure 18.

Figure 18 | LHU Capital Costs Forecast by Year (US\$)

COSTS (US\$M)	LOM Total	Ramp-up Phase	Mining Phase	Stockpile Phase
		FY2025	FY2026 - FY2033	FY2034 - FY2041
Capital Costs				
Sustaining	159	26	85	48
Rehabilitation	90	-	34	56
Total Capital Costs	249	26	119	104

Estimated operating expenditures for LHU are presented in Figure 19.

The operating costs consist of annual expenditures at Langer Heinrich Mine to rehandle stockpiles and mine (from 2026) and process the ore, and to package the processed U₃O₈ product for transportation and sale.

The current operating cost projections are based on current costings obtained for LHU. Operating costs have increased since the mine was previously in production based on major contributors such as inflationary pressures on labour and material costs.

The LHU mine plan has three distinct operational phases:

- Ramp Up Phase (FY25)
- Mining Phase (FY26 to FY33)
- Stockpile Phase (FY34 to FY41)

The mine plan results in a production target of 76.8Mlb of U₃O₈.

Production costs include expenditure incurred on mining material in the Mining Phase that is stockpiled for processing in the Stockpile Phase (FY2026 to FY2033). A non-cash inventory adjustment is recognized to calculate the production costs, removing these costs during the Mining Phase for materials to be processed in future, and including these costs when the material is processed during the Stockpile Phase.

Figure 19 | LHU Operating Cost Forecast by year (US\$)

COSTS (US\$M)	LOM Total	Ramp-up Phase	Mining Phase	Stockpile Phase
		FY2025	FY2026 - FY2033	FY2034 - FY2041
Operating Costs				
Mining & Stockpile Rehandling	940	22	777	141
Processing & Maintenance	1,648	88	834	726
Site Administration	197	14	107	76
Total Operating Costs	2,785	124	1,718	943
Ore Stockpile Adjustment*	-	-	(156)	156
Cost of Production	2,785	124	1,562	1,099
UNIT COSTS (US\$/lb)				
Unit Cost of Production**		28.6	33.1	43.5

Note:

*Represents the cost of mining incurred for material to be processed during the Stockpile Phase.

**Does not include the non-cash cost attributable to the US\$92 million reversal of the previous stockpile impairment, for existing ore stockpiles processed in FY2025 and FY2026.

The economic analysis shown in Figure 20 for LHU is based on the current mine plan. The mine plan results in a production target of 76.8Mlb of U₃O₈, 85% of which is underpinned by Proved Ore Reserves, 12% of which is

underpinned by Probable Ore Reserves, 2% of which is underpinned by Measured Mineral Resources and 1% of which is underpinned by Indicated Mineral Resources.

The Ore Reserves and Mineral Resources estimates underpinning the production target have been prepared by Competent Persons in accordance with the JORC Code, which sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves.

The assumptions supporting the NPV are:

- 100% LHU view, Paladin owns a 75% interest in LHU.
- Revenue is based on the real uranium price assumptions in Section 19.3 of the Technical Report, which details the average uranium price assumptions derived from Paladin’s current contract portfolio commitments and a term and spot market-related pricing mechanism.
- Government Royalties of 3%, export levy of 0.25% of US\$ sales value and production royalty of AUD\$0.12/kg U₃O₈ produced and sold.
- Sustaining and rehabilitation capital costs as detailed in Section 21.1 of the Technical Report.

The economic analysis results in an estimated pre-tax NPV (at a discount rate of 8%) to LHU, for net cash flows from July 1, 2024 forward, of US\$2.14 billion and a post-tax NPV of US\$1.52 billion.

Figure 20 | Economic analysis (US\$)

Economic analysis (Post-tax) (US\$M)	LOM Total	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	FY37	FY38	FY39	FY40	FY41	FY42
U ₃ O ₈ Spot Price (US\$/lb)	95	105	110	109	103	94	95	94	94	93	92	92	92	92	92	92	92	92	
U ₃ O ₈ Realised Price* (US\$/lb)	90	88	87	92	90	85	86	90	93	92	91	91	91	91	90	90	90	90	
USD:NAD Exchange Rate	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	
Production volume (M lb U ₃ O ₈)	76.8	4.3	5.6	6.1	6.1	6.0	6.1	6.1	6.1	5.2	3.8	3.5	3.5	3.4	3.3	3.3	3.1	1.5	
Sales Revenue (US\$M)	6,983	364	459	565	544	511	517	529	565	478	357	357	357	357	311	294	291	137	
Operating Costs (US\$M)	2,786	124	213	191	196	199	207	205	188	165	147	143	144	144	145	145	150	82	
Capital Costs (US\$M)	249	26	22	16	21	10	13	12	12	13	11	9	7	7	15	16	6	11	22
Freight & Logistics (US\$M)	91	4	6	7	7	7	7	7	7	6	5	5	5	5	4	4	3	2	
Royalties** (US\$M)	227	12	15	18	18	17	17	17	18	16	12	12	12	12	10	10	9	4	
Net pre-tax cashflow (US\$M)	3,630	198	169	286	260	240	251	284	349	298	204	207	209	208	155	138	137	58	(22)
Pre-tax NPV (8%) 1 July 2024 (US\$M)	2,135																		
Post-tax NPV (8%) 1 July 2024 (US\$M)	1,522																		

Note:

*Average Price US\$/lb over the LOM. Annual prices vary.

**Royalties - Government Royalties 3%; Export Levy 0.25%, Third Party Royalty US\$0.12/kg.

DIVIDENDS OR DISTRIBUTIONS

Paladin has not declared or paid any dividends on the Paladin Shares for each of the three most recently completed financial years and its current financial year. A dividend policy has not been adopted by the Paladin Board. The Paladin Board will determine if and when dividends should be declared and paid in the future based on Paladin’s financial position at the relevant time. Unless Paladin commences the payment of dividends, holders of Paladin Shares will not be able to receive a return on their Paladin Shares unless they sell them. See “*Risk Factors*” of this Appendix.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Paladin is exempted under Part 5.5 of NI 71-102 from providing this disclosure, as Paladin is a “designated foreign issuer” as defined therein.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Equity Securities

Paladin Ordinary Shares

All of Paladin Shares rank equally as to voting rights, and entitlement to any dividends declared by Paladin. In the event of bankruptcy, receivership or similar proceedings against Paladin, the distribution of assets will depend on the court order and resultantly, not all shareholders may rank equally. Paladin Directors alone may declare a dividend to be paid to shareholders. Any dividend is payable at a time determined in the Paladin Directors' discretion. No dividend may be declared or paid except as allowed by the ACA. No interest is payable in respect of unpaid dividends. The holders of Paladin Shares are entitled to receive notice of, and to attend and vote at, all general meetings of shareholders of Paladin. Each Paladin Share carries the right to one vote. The holders of Paladin Shares are entitled to receive dividends as and when declared by the Paladin Board in respect of the Paladin Shares on a pro rata basis.

There are no pre-emptive rights, conversion or exchange rights, redemption, retraction, purchase for cancellation or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities and any other material restrictions, and provisions requiring a securityholder to contribute additional capital in respect of existing Paladin Shares on issue.

Whenever the capital of Paladin is divided into different classes of shares, the rights attached to any class of share may be altered with the sanction of a special resolution passed at separate meeting of the holders of the shares of that class, or with the written consent of the holders of at least three quarters of the shares of that class.

Paladin Shares are currently listed on the ASX under the symbol "PDN". Paladin has applied to list the Paladin Shares on the TSX, subject to certain listing conditions and receipt of TSX approval, following the completion of the Arrangement.

CONSOLIDATED CAPITALIZATION

The following table sets out the consolidated capitalization of Paladin as of December 31, 2023.

	As at December 31, 2023 (US\$'000)
Share Capital	2,648,377
Accumulated Losses	(2,099,893)
Reserves	(69,668)
Non-Controlling Interest	(64,975)
Total Shareholder's Equity	413,841
Current Liabilities	(15,051)
Non-Current Liabilities	(135,400)
Total Liabilities	(150,451)
Total Capitalization	263,390

In January 2024 Paladin executed a US\$150 million syndicated debt facility to provide capital flexibility as the Company recommences operations at the LHM and progresses its growth options.

On Tuesday April 9, 2024 shareholders of Paladin approved the consolidation of Paladin's issued capital on a ten for one basis.

PRIOR SALES

The following table sets out all issuances by Paladin of Paladin securities, including the price at which the Paladin securities were issued, the number of Paladin securities issued and the date of issuance during the 12-month period preceding the date of the Circular.

Date	Paladin Security	Number	Issue/Exercise Price
July 2023	Performance Rights	900,000	\$0.755
July 2023	Share Appreciation Rights	82,500	\$0.825
October 2023	Performance Rights	2,045,000	\$0.945
October 2023	Performance Rights	201,586	\$0.064
March 2024	Performance Rights	1,269,650	\$0.776
March 2024	Share Appreciation Rights	10,964	\$0.052
June 2024	Ordinary Shares	509,000	\$12.94

Trading Price and Volume

Paladin Shares trade on the ASX under the symbol “PDN”. See below for the reported high and low prices (including intra-day prices) and the total volume of trading of Paladin Shares on the ASX, in Australian dollars, on a monthly basis for the past 12 months on a post consolidation basis:

	High (A\$)	Low (A\$)	Total Volume
June 2023	7.60	6.05	47,320,366
July 2023	7.85	7.20	25,560,051
August 2023	8.55	7.45	40,442,133
September 2023	11.00	8.75	72,425,921
October 2023	11.00	9.25	49,767,133
November 2023	10.40	9.25	41,935,440
December 2023	10.55	9.35	73,875,679
January 2024	12.95	10.10	75,948,527
February 2024	14.35	11.25	59,107,568
March 2024	14.15	11.95	63,350,531
April 2024	15.70	13.16	38,392,394
May 2024	17.80	14.67	44,392,952
June 2024	15.83	12.40	53,971,611
July 1 – 19 2024	13.99	12.39	37,718,640

On June 21, 2024, the last trading day on which Paladin Shares traded prior to announcement of the Arrangement, the closing price of Paladin Shares on the ASX was A\$13.24. On July 19, 2024 the closing price of Paladin shares on the ASX was A\$12.65.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

To the knowledge of Paladin, there are no issued and outstanding Paladin Shares currently held in escrow or that are subject to a contractual restriction on transfer.

PRINCIPAL SECURITYHOLDERS

There are no persons or companies who beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to Paladin Shares.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holding

The following table sets out Paladin directors and officers, together with the city and country of residence, positions and offices held, principal occupations during the last five years, the years in which they were first appointed as directors and/or officers of Paladin and the number of Paladin Shares owned, directly or indirectly, legally or beneficially, or over which control or discretion is exercised by them, as of the date of the Circular.

Name and Place of Residence	Position Held at Paladin	Principal Occupation	Director/ Officer Since	Term Expiring	Number of Paladin Shares Held⁽¹⁾ (Percentage Held)
Ian Purdy Perth, Australia	CEO	Previously CEO of Quadrant Energy, Managing Director and Chief Executive Officer of Mirabela Nickel, Managing Director of Norilsk Nickel Australia, Director of Finance and Strategy of LionOre Australia, and has held senior finance and commercial roles at North Limited and WMC Limited.	February 2020	N/A	500,000 (less than 1%)
Anna Sudlow Perth, Australia	CFO	Previously CFO of Transborders Energy, Commercial & IR Manager of Tap Oil, has held various senior functional roles across treasury and corporate strategy at Woodside Energy. Presently a non-executive director of Australian Vanadium Limited (ASX:AVL).	July 2019	N/A	195,372 (less than 1%)
Paul Hemburrow Perth, Australia	Chief Operating Officer	Previously General Manager of Aurizon's Central Queensland Coal Network, General Manager at BHP, and held various positions at New Zealand Aluminium Smelters Limited.	February 2023	N/A	10,170 (less than 1%)
Alex Rybak Perth, Australia	Chief Commercial Officer	Previously General Manager, M&A at Quadrant Energy (acquired by Santos Limited), General Manager, M&A at St John of God Healthcare, deputy director of Business Development at Rosneft, Project Director, M&A at TNK-BP.	July 2021	N/A	33,777 (less than 1%)
Jeremy Ryan Perth, Australia	General Counsel & Company Secretary	Previously held various roles advising government departments, worked in the finance and project team at the law firm, DLA Piper.	August 2021	N/A	Nil
Jess Oram Perth, Australia	General Manager, Exploration	Previously Chief Executive Officer & Executive Director of Cauldron Energy Ltd, GM Exploration of Axiom Mining Limited, Exploration Manager of Polymetals Mining Limited, and Chief Geologist – Exploration of Heathgate Resources / Quasar Resources.	June 2021	N/A	52,454 (less than 1%)

Name and Place of Residence	Position Held at Paladin	Principal Occupation	Director/ Officer Since	Term Expiring	Number of Paladin Shares Held⁽¹⁾ (Percentage Held)
Cliff Lawrenson Canberra, Australia	Non-Executive Chairman	Previously Managing Director of Atlas Iron Ltd, and senior executive of CMS Energy Corporation in the United States of America and Singapore. Currently Non-Executive Director of Australian Vanadium Limited (ASX:AVL) and Non-Executive Chairman of privately owned Pacific Energy Limited.	October 2019	N/A	223,514 (less than 1%)
Lesley Adams Dunsborough, Australia	Non-Executive Director	Previously Executive General Manager of Roy Hill, Group Executive HR/Continuous Improvement at Beach Energy, Group Executive Corporate Services at Quadrant Energy and General Manager of Human Resources for Santos Limited.	May 2023	N/A	10,000 (less than 1%)
Melissa Holzberger Brisbane, Australia	Non-Executive Director	Previously a lawyer at BHP and Rio Tinto and Principal of Sloan Holzberger Lawyers. Currently Non-Executive Director of Argo Investments Limited, Intermodal Terminal Company, Karoon Energy Ltd (ASX:KAR).	May 2021	N/A	2,175 (less than 1%)
Jon Hronsky OAM Perth, Australia	Non-Executive Director	Previously Manager-Strategy & Generative Services for BHP Billiton Mineral Exploration and Global Geoscience Leader for WMC Resources Ltd. Currently Principal at Western Mining Services, a global geological consultancy, an Adjunct Professor at the Centre for Exploration Targeting at UWA, and a Non-Executive Director of ASX listed Encounter Resources (ASX: ENR) and Caspin Resources Limited (ASX: CPN) and a General Partner – Global Targeting and Research at Ibaera Capital.	March 2023	N/A	Nil

Name and Place of Residence	Position Held at Paladin	Principal Occupation	Director/ Officer Since	Term Expiring	Number of Paladin Shares Held ⁽¹⁾ (Percentage Held)
Peter Main Perth, Australia	Non-Executive Director	Previously worked for investment banks, including 11 years managing the Royal Bank of Canada's (RBC) Australian equity sales and trading business and co-managing RBC's regional business, and six years at Hartley Poynton as a mining analyst. Before that, he spent nine years in full time service in the Australian Army.	December 2019	N/A	409,460 (less than 1%)
Joanne Palmer Perth, Australia	Non-Executive Director	Previously Equity Partner at Ernst & Young. Currently council member and Treasurer of the Association of Mining & Exploration Companies (AMEC) and a Non-Executive Director of NextOre Pty Ltd, St Barbara Limited (ASX:SBM) and Karoon Energy Ltd (ASX:KAR).	May 2021	N/A	2,173 (less than 1%)
Peter Watson Ewingsdale, New South Wales	Non-Executive Director	Previously MD & CEO of Sedgman Limited, and various senior roles and directorship at Strandline Resources Ltd, Sedgman Limited, New Century Resources, Resource Generation and EvacGroup. Currently a Non-Executive Director at Australian Vanadium Limited (ASX:AVL).	December 2019	N/A	100,000 (less than 1%)

Notes:

(1) Includes direct and indirect interests of the directors and their related entities.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of Paladin, as at the date hereof, no director or executive officer of Paladin has, within the 10 years prior to the date of this document, been a director, CEO or CFO of any issuer (including Paladin) that: (i) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days while the person was acting in the capacity as director, CEO or CFO; or (ii) was subject to an order that, after the director or executive officer ceased to be a director, CEO or CFO of an issuer, resulted in the issuer being the subject of a cease trade or similar order or an order that denied the relevant issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days and which resulted from an event that occurred while that person was acting as a director, CEO or CFO of the issuer.

No current or proposed director or officer or securityholder holding a sufficient number of securities of Paladin to affect materially the control of Paladin has, within the last 10 years prior to the date of this document, been a director or executive officer of any company (including Paladin) that, while such person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement for compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No current director or officer or securityholder holding a sufficient number of securities of Paladin to affect materially the control of Paladin has, within the last 10 years prior to the date of this document, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or securityholder.

No current or proposed director or officer or securityholder holding a sufficient number of securities of Paladin to affect materially the control of Paladin has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain directors and officers of Paladin will not be devoting all of their time to the affairs of Paladin. Certain directors and officers of Paladin are directors and officers of other companies. The directors and officers of Paladin are required by law to act in the best interests of Paladin. They have the same obligations to the other companies in respect of which they act as directors and officers. Any decision made by any of such officers or directors involving Paladin will be made in accordance with their duties and obligations under the applicable laws of Australia. In addition to its statutory obligations and as a matter of good corporate governance, Paladin continuously monitors any potential conflicts of interest as they arise. Where any such conflict exists or could potentially exist, Paladin addresses such situations in accordance with its internal policies and procedures, including but not limited to excluding conflicted officers or directors in relevant discussions and/or decision-making processes. Where appropriate, Paladin is able to avail itself of external advisors to assist in resolving these matters. As of the date hereof, Paladin was not aware of any existing or potential material conflicts of interest between Paladin and a subsidiary of Paladin, a director or officer of Paladin or of a subsidiary of Paladin.

EXECUTIVE & DIRECTOR COMPENSATION

Paladin is exempted under Section 11.6(5) of NI 51-102 from providing executive compensation disclosure, as Paladin is a “designated foreign issuer” as defined in NI 71-102.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of the Circular, except as disclosed under the heading “*Interests of Management and Others in Material Transactions*” below and elsewhere in this Appendix, there exists no indebtedness outstanding with any current or former director, executive officer or employee of Paladin or its subsidiaries, or any associate or affiliate of such person, which is owing to Paladin or its subsidiaries, or which is owing to another entity, which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Paladin or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

Paladin is exempted under Section 1.2(c) of NI 52-110 from providing the audit committee disclosure, as Paladin is a “designated foreign issuer” as defined in NI 71-102.

Corporate Governance

Paladin is exempted under Section 1.3(b) of NI 58-101 from providing the corporate governance disclosure, as Paladin is a “designated foreign issuer” as defined in NI 71-102.

RISKS RELATING TO PALADIN AND THE COMBINED COMPANY

In evaluating Paladin and its business and whether to vote in favour of the Arrangement Resolution, you should carefully consider the risk factors described under this heading, in addition to the other information contained in the Circular. The business and operations of the Combined Company following completion of the Arrangement will continue to be subject to the risks currently faced by Paladin and Fission, as well as those certain risks unique to the Combined Company following completion of the Arrangement. You should also carefully consider the risk factors related to Paladin described under this heading and in Paladin's annual report for the year ended June 30, 2023 which is appended as Exhibit I to this Appendix, and the risk factors related to Fission described in Fission's annual information form for the year ended December 31, 2023, a copy of which can be found on Fission's SEDAR+ profile at www.sedarplus.com.

Paladin is in the uranium mining and production business, with commercial uranium concentrate production at the Langer Heinrich Mine, and additionally owns a large global portfolio of uranium exploration and development assets, which involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The risks described below are not an exhaustive list of the risks faced by Paladin. Additional risks not currently known to Paladin, or that Paladin currently deems immaterial, may also impair Paladin's operations. If any of the following risks actually occur, Paladin's business, financial condition and operating results and the future performance of the Combined Company could be adversely affected.

Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of Paladin, or will be outside of the control of the Combined Company, and cannot be mitigated.

Accordingly, an investment in the Combined Company carries no guarantee with respect to the payment of dividends, return of capital or price at which shares will trade and should be considered speculative. The principal risk factors relating to Paladin and the Combined Company include, but are not limited to, the risk factors listed below.

The Combined Company may be unable to realize the anticipated benefits of the Arrangement.

The Arrangement has been agreed to with the expectation that its completion will result in financial and strategic benefits for the Combined Company following completion of the Arrangement. There is a risk that the anticipated benefits fail to materialise or take longer than expected to materialise. This may affect the future earnings performance of the Combined Company.

These anticipated benefits will depend in part on whether the Parties' operations can be integrated in an efficient and effective manner. There can be no assurance that Paladin will be able to achieve any of the benefits that are anticipated as a result of the Arrangement. Most operational and strategic decisions and certain staffing decisions with respect to the integration have not yet been made. These decisions and the integration of the Parties will present challenges to management, including the integration of systems and personnel of the Parties which may be geographically separated and lead to unanticipated liabilities and costs. The performance of the Combined Company's operations after completion of the Arrangement could be adversely affected if the Combined Company cannot retain key employees to assist in the integration and operation thereof.

The consummation of the Arrangement may pose special risks, including one-time write-offs, restructuring charges and unanticipated costs. Although the Parties and their respective advisors have conducted due diligence on the various operations, there can be no guarantee that each Party will be aware of any and all liabilities of the other Party or resulting from the Arrangement. As a result of these factors, it is possible that certain benefits expected from the Arrangement may not be realized. Any inability of management to successfully integrate the operations could have an adverse effect on the business, financial condition and results of operations of the Combined Company.

The Pro Forma Condensed Consolidated Financial Statements are presented for illustrative purposes only and may not be an indication of the Parties financial condition or results of the Combined Company's operations following completion of the Arrangement.

The Pro Forma Condensed Consolidated Financial Statements are presented for illustrative purposes only and may not be an indication of the Party's financial condition or results of the Combined Company's operations following completion of the Arrangement for several reasons. For example, the Pro Forma Condensed Consolidated Financial Statements have been derived from the respective historical financial statements of Paladin and Fission and certain adjustments and assumptions have been made. The information upon which these adjustments and assumptions have been made is historical, preliminary and subject to change. Moreover, the Pro Forma Condensed Consolidated Financial Statements do not reflect all costs that are expected to be incurred in connection with the Arrangement. In addition, the assumptions used in preparing the Pro Forma Condensed Consolidated Financial Statements may not prove to be accurate, and other factors may affect the Parties financial condition or results of the Combined Company's operations following completion of the Arrangement. The price of Paladin Shares may be adversely affected if the actual results of the Combined Company following completion of the Arrangement fall short of the Pro Forma Condensed Consolidated Financial Statements. See the Pro Forma Condensed Consolidated Financial Statements included as Exhibit I to this Appendix.

Estimates and assumptions are used in preparing Paladin's consolidated financial statements.

Preparation of Paladin's consolidated financial statements requires use of estimates and assumptions. Accounting for estimates requires Paladin to use its judgement to determine the amount to be recorded on its financial statements in connection with these estimates. Paladin reviews the carrying value of its tangible and intangible assets periodically to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the amount of the impairment, if any. Changes in assumptions underlying the carrying value of certain assets, including assumptions relating to uranium prices, production costs, foreign exchange rates, discount rates, tax rates, the level of proved and probable reserves and measured, indicated and inferred Mineral Resources and market conditions, could result in impairment of such assets. No assurance can be given as to the absence of significant impairment charges in future periods, including as a result of further restructuring activities or changes in assumptions underlying carrying values as a result of adverse market conditions in the industry in which Paladin operates.

Paladin's estimates and assumptions used in the value of its rehabilitation provisions represents the discounted value of the present obligation to rehabilitate its mines and to restore, dismantle and close its mines. The discounted value reflects a combination of Paladin's assessment of the cost of performing the work required, the timing of the cash flows and the discount rate. A change in any, or a combination, of the three key assumptions (estimated cash flows, discount rates or inflation rates), used to determine the provision could have a material impact on the carrying value of the provision. On an ongoing basis, Paladin re-evaluates its estimates and assumptions. However, the actual amounts could differ from those based on estimates and assumptions.

Operation of the Langer Heinrich Mine.

Paladin faces customary risks associated with the operation of the Langer Heinrich Mine. This includes without limitation, mining and production activities, recruitment of the necessary personnel, initiation of contracts for logistical suppliers and equipment, and any inclement weather conditions.

A delay or difficulty encountered in the operations of the commercial uranium production of the Langer Heinrich Mine could materially and adversely affect the Combined Company's financial condition and financial sustainability.

The production ramp-up of the Langer Heinrich Mine may be unsuccessful, resulting in a diminution in the cash reserves of the Combined Company. In addition, the Combined Company's business and results of operations from the Langer Heinrich Mine could be materially and adversely affected by any events which cause the Langer Heinrich Mine to operate at less than optimal capacity, including among other things, equipment failure or shortages of

spares, consumables and reagents, adverse weather, serious environmental and safety issues, product specification issues and any permitting or licensing issues.

The revenues and financial performance of the Combined Company will be dependent upon the price of uranium.

The Combined Company's revenues will be derived primarily from the sale of uranium. The price that the Paladin obtains for uranium is directly related to world market prices and is affected by numerous factors that will be beyond the Combined Company's control, including, but not limited to, demand for nuclear power, political and economic conditions in uranium production, reprocessing of used reactor fuel and the re-enrichment of depleted uranium tails, sales of excess civilian and military inventories (including inventories from the dismantling of nuclear weapons) by governments and industry participants, and production levels and costs of production in countries such as Russia and former Soviet republics, Africa, Canada and Australia.

Future production from all of the Combined Company's mine properties will be dependent upon the price of uranium. Sustained low uranium prices could reduce revenues through production declines; reduce or eliminate the profit that we currently expect from reserves; halt or delay the development of new projects; result in the impairment of assets or reduce funds available for exploration. If the market price of Uranium, or any other commodity sold by the Combined Company were to fall below the costs of production and remain at such a level for any sustained period, the Combined Company would experience losses and may have to curtail or suspend some or all of its proposed mining activities. In such circumstances, the Combined Company would also have to assess the economic impact of any sustained lower commodity prices on recoverability. Declines in price and reductions in operations could cause significant volatility in the Combined Company's financial performance.

Failure to meet key production and other cost estimates may adversely affect the Combined Company's cash flows.

Paladin cannot provide assurance of the Combined Company's ability to operate its projects profitably. While Paladin intends to generate working capital through operating its uranium mines, there is no assurance that the Combined Company will be capable of producing positive cash flow on a consistent basis or that any such funds will be available for exploration and development programs.

While a decrease in the amount of or a change in the timing of the Combined Company's mineral production outlook may impact the amount and timing of the Combined Company's cash flow from operations. The actual impact of such a decrease on the Combined Company's cash flow from operations would depend on the timing of any changes in production and on actual prices and costs. Any change in the timing of projected cash flows that would occur due to production shortfalls or labour disruptions or other reasons would, in turn, result in delays in receipt of such cash flows and in using such cash to, as applicable, reduce debt levels and fund operating and exploration activities, which may require additional borrowings to fund capital expenditures.

It is likely that actual results and/or costs for the Combined Company's projects will differ from current estimates and assumptions, and these differences may be material. In addition, experience from actual mining or processing operations may identify new or unexpected conditions that could reduce production below, and/or increase capital and/or operating costs above, current estimates. If actual results are less favourable than currently estimated, the Combined Company's business, results of operations, financial condition and liquidity could be materially adversely impacted.

Capital resources may be required to be used in ways not previously anticipated or disclosed by Paladin. The results and effectiveness of the application of capital resources are uncertain. If they are not applied effectively, the financial and/or operational performance of the Combined Company may be adversely affected.

Future operating results depend to a large extent on management's ability to successfully manage growth. This necessarily requires rapid expansion and consolidation of all aspects of the business operations, such as the development of mining operations, revenue forecasting, an effective Mineral Resources marketing strategy, addressing new markets, controlling expenses, implementing infrastructure and systems and managing its assets and contractors. The inability to control the costs and organisational impacts of business growth, an unpredicted decline in the growth rate of revenues without a corresponding and timely reduction in expenses or a failure to

manage other issues arising from growth can have a material adverse effect on the Combined Company's operating results.

The Combined Company's activities may be affected by numerous other factors beyond its control. Mechanical failure of operating plants and equipment and general unanticipated operational and technical activities may adversely affect the Combined Company's operations. Operating risks beyond the Combined Company's control may expose it to uninsured liabilities. The business of mining, exploration and development is subject to a variety of risks and hazards such as cave-ins and other accidents, flooding, environmental hazards, the discharge of toxic chemicals and other hazards and the use of contractors including contract miners. Such occurrences may delay production, increase production costs or result in damage to and destruction of, mineral properties or production facilities, personal injury, environmental damage and legal liability. Paladin currently has insurance to protect itself against certain risks of mining and processing within ranges of coverage consistent with industry practice. However, the Combined Company may become subject to liability for hazards that it cannot insure against or that it may elect not to insure against because of high premium costs or other reasons. The occurrence of an event that is not fully covered, or covered at all, by insurance, could have a material adverse effect on its financial condition and results of operations. Paladin has in the past undertaken, and is currently undertaking, a number of cost management and optimisation initiatives, but it cannot be assured that these will be delivered fully or in the timeframes intended, or that the extent of the savings delivered will be as anticipated.

The Combined Company will be dependent on critical supplies, a lack of which could impact production and development of projects.

Timely and cost-effective execution of the Combined Company's mining operations and exploration activities will be dependent on the adequate and timely supply of water, fuel, chemicals and other critical supplies. If the Combined Company is unable to procure the requisite quantities of water, fuel or other inputs in time and at commercially acceptable prices or if there are significant disruptions in the supply of fuel, water or other inputs to the Langer Heinrich Mine or for the Combined Company's exploration activities, the performance of the Combined Company's business and results of operations could be materially and adversely affected.

The Combined Company may be unable to attract, retain and train key personnel, which could have an adverse effect on its operations.

The Combined Company's success will depend to a significant extent upon the ability to attract, retain and train key management and technical personnel in Australia, Canada and Namibia. If the Combined Company is not successful in retaining or attracting personnel, its business may be adversely affected. The loss of the services of any of the Combined Company's key management personnel could materially and adversely affect its business and results of operations.

In addition, the recruiting of qualified personnel is critical to the Combined Company's success. As the Combined Company's business grows, it will require additional key financial, administrative, mining, processing and exploration personnel as well as additional staff for operations. If the Combined Company is not successful in recruiting and training such personnel, it could materially and adversely affect its business, prospects and results of operations.

The Combined Company's operations in Australia, Canada and Namibia will depend on its local employees and contractors. If the Combined Company is not successful in maintaining a positive relationship with its workforce and the communities surrounding its projects, it could find it difficult to attract and retain skilled workers, develop successful collaborations and generally build its business. Likewise, if the Combined Company's relationship to its workforce or the communities surrounding its projects becomes strained, its business may be adversely affected.

The Combined Company will face new political risks in certain jurisdictions in which Paladin currently operates.

Paladin's operations are exposed to political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties vary from country to country and include, but are not limited to, currency exchange rates, high rates of inflation, labour unrest, renegotiation or nullification of existing concessions, licenses, permits and contracts, changes in taxation policies, restrictions on foreign exchange, changing

political conditions, terrorism, war and other hostilities, and currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or otherwise benefit residents of that country or region.

The Combined Company will have operations located in Namibia which is a less developed country than Australia and Canada and has associated political, economic, legal and social risks. There can be no assurance that the systems of government and the political system in Namibia will remain stable. Further, there can be no assurance that government regulations relating to foreign investment, repatriation of foreign currency, taxation and the mining industry in Namibia will not be amended or replaced in the future to the detriment of the Combined Company's business and/or projects. The directors of Paladin and Fission are unaware of any such proposals as at the date of the Circular.

Changes, if any, in mining or investment policies or shifts in political attitude in any of the countries in which it operates may adversely affect the Combined Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, black economic empowerment or similar policies, employment, contractor selection and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors adds uncertainties which cannot be accurately predicted and could have an adverse effect on the Combined Company's operations or profitability.

Paladin's current activities are subject to extensive laws and regulations controlling not only the mining of and exploration for mineral properties, but also the possible effects of such activities upon the environment and upon interests of native and/or indigenous peoples. Permits from a variety of regulatory authorities are required for many aspects of mine operation and reclamation. Future legislation and regulations could cause additional expense, capital expenditures, restrictions and delays in the development of the Combined Company's properties, the extent of which cannot be predicted. In particular, uranium extraction and processing has become the subject of increased environmental scrutiny and future legislation and government policy may impose additional obligations and costs on the Combined Company in this regard.

Possible sovereign risks associated with Paladin's existing business and operations include, without limitation, changes in the terms of mining and tenure legislation (and its interpretation), changes in foreign ownership requirements, changes to royalty arrangements, changes to taxation rates and concessions, currency and other monetary controls, high inflation, expropriation and changes in the ability to enforce legal rights. Changes in community attitudes on matters such as environment and land rights issues may also bring about reviews and changes in government policy, which in turn could result in delays in operational activity and increases in capital or operating costs.

In the context of environmental permitting, including the approval of reclamation plans, the Combined Company must comply with known standards, existing laws and regulations which may entail greater costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the permitting authority. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Combined Company's operations.

Paladin's ability to exploit Mineral Resources and its other activities are also subject to obtaining necessary authorisation, permits and licences from relevant authorities. Such authorisations, permits and licences may not be granted in a timely manner or at all, or may be granted on conditions which impose significant additional cost on the Combined Company and/or other participants in its joint ventures or which causes the Combined Company and/or such other participants in its joint ventures to become unwilling to proceed with the relevant development or operations. The Combined Company's projects may be subject to the effect of political changes, war and civil conflict,

terrorist attacks, changes in government policy, lack of law enforcement, labour unrest and the creation of new laws. These changes (which may include new or modified taxes or other government levies as well as other legislation) may impact on the profitability and viability of its properties.

Environmental and other regulations.

Uranium exploration and mine development is an environmentally hazardous activity which may give rise to substantial costs for environmental rehabilitation, damage control and losses. Paladin's operations may use hazardous materials and produce hazardous waste, which may have an adverse impact on the environment or cause exposure to hazardous materials.

Despite efforts to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, the Combined Company may be subject to claims for toxic torts, natural resources damages and other damages. In addition, the Combined Company may be subject to the investigation and clean-up of contaminated soil, surface water and groundwater. This may delay the timetable of the projects and may subject the Combined Company to substantial penalties including fines, damages, clean-up costs or other penalties. With increasingly heightened government and public sensitivity to environmental sustainability, environmental regulation is becoming more stringent. The Combined Company could be subject to increasing environmental responsibility and liability, including laws and regulations dealing with discharges of materials into the environment, plant and wildlife protection, the reclamation and restoration of certain of its properties, the storage, treatment and disposal of wastes and other issues. Paladin operates in various markets, some of which face greater inherent risks relating to security, enforcement of obligations, fraud, bribery and corruption. Paladin currently has a comprehensive anti-bribery and corruption policy in place, and honours the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Sanctions for non-compliance with these laws and regulations may include administrative, civil and criminal penalties, revocation of permits, reputational issues, increased licence conditions and corrective action orders. These laws sometimes apply retroactively.

In addition, a party can be liable for environmental damage without regard to that party's negligence or fault. Increased costs associated with regulatory compliance and/or with litigation could have a material and adverse effect on Paladin's financial performance. Mining operations are subject to hazards normally encountered in exploration, development and production. These include weather, natural disasters and other force majeure events; unexpected maintenance or technical problems; unexpected geological formations; rock falls, flooding, dam wall failure and other incidents or conditions which could result in damage to plant or equipment or the environment and which could impact production throughput; increases in labour costs, industrial action and other factors. Although it is intended to take adequate precautions to minimise risk, there is a possibility of a material adverse impact on Paladin's operations and its financial results should any of these hazards be encountered.

There are also various regulations in place in Namibia that relate to the exploration, development, production, exports, taxes, royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances and other matters. The cost of compliance with such laws and regulations will ultimately increase the cost of exploring, drilling, developing, constructing, operating and closing mines and other production facilities. There is a risk that government approvals may not be granted, may be significantly delayed or may make the Langer Heinrich Mine uneconomic.

Financing and funding risks.

Exploration and development of the various mineral properties in which Paladin currently holds interests depends upon the Combined Company's ability to obtain funding through operational cash flows, joint ventures, debt financing, equity financing or other means. In addition, Paladin is required in the ordinary course of operations and development to provide financial assurances (including insurances and performance bond or bank guarantee instruments) to secure statutory and environmental performance undertakings and commercial arrangements. The Combined Company's ability to provide such assurances will be subject to the willingness of financial institutions and other third-party providers of such assurances to issue such assurances for the Combined Company's account. Volatile uranium markets, or the factors affecting financial institutions and other third parties' assessments of the

Combined Company and its prospects, may make it difficult or impossible for the Combined Company to obtain facilities for the issuance of such financial assurances or of other debt financing or equity financing on favourable terms or at all. Failure to obtain such facilities or financing on a timely basis may cause the Combined Company to postpone its development plans, forfeit rights in some or all of its properties or joint ventures or reduce or terminate some or all of its operations, which may have a material adverse effect on the Combined Company's financial position and performance.

Insurance may not adequately cover all potential risks of the Combined Company's operations.

Paladin currently has insurance to protect itself within ranges of coverage consistent with industry practice. However, certain risks will not be covered by insurance due to limitations or exclusions in insurance policies or because the Combined Company may decide not to insure against certain risks because of high premiums or for other reasons. Insurance against all risks associated with mineral exploration and production is not always available or affordable. Although the Combined Company will maintain insurance to protect against certain risks in amounts it considers reasonable, the Combined Company's insurance may not adequately cover all potential risks. The occurrence of an event that is not covered, or only partially covered, by insurance, could have a material adverse effect on the business, financial condition and results of the operations of the Combined Company. There is no assurance that the Combined Company will be able to maintain adequate insurance in the future at rates that it considers reasonable.

Market for Paladin Shares.

There can be no guarantee that a liquid market in Paladin Shares will exist after the Acquisition. There may be relatively few, or many, potential buyers or sellers of Paladin Shares on the ASX and/or TSX at any given time. This may affect the prevailing market price at which former Fission Securityholders are able to sell their Paladin Shares. This may result in former Fission Securityholders receiving a market price for their Paladin Shares that is less than the current market price at which Paladin Shares trade on ASX.

Climate change and the transition to a low-carbon economy may affect the operations of the Combined Company.

Climate change may cause certain physical and environmental risks that cannot be predicted by the Combined Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Combined Company operates.

The transition to a low-carbon economy may also pose financial and reputational risks to the Combined Company. The Combined Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage.

Title risks.

Paladin's mining and exploration activities are dependent upon the maintenance (including renewal) of the mining tenements in which Paladin has or acquires an interest. Maintenance of such concessions will be dependent on, among other things, the Combined Company's ability to meet the licence conditions imposed by the relevant authorities including compliance with the Combined Company's work program requirements which, in turn, is dependent on the Combined Company being sufficiently funded to meet those expenditure requirements. Although Paladin has no reason to think that the mineral concessions in which it currently has an interest will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.

Estimates of Mineral Resources and Ore Reserves are uncertain and may not be indicative of future results.

The Mineral Resources and Ore Reserves for Paladin's assets are estimates only and no assurance can be given that any particular recovery level will in fact be realized. Paladin's estimates have been prepared in accordance with the reporting standards of the JORC Code, but they are expressions of judgment from qualified professionals based on

knowledge, experience, industry practice and resource modelling. As such, Mineral Resource and Ore Reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment or revision.

Adjustments and revisions to Mineral Resources and Ore Reserves could in turn affect the Combined Company's development and mining plans, including the ability to sustain or increase levels of production in the longer term. Often Mineral Resource and Ore Reserve estimates are appropriate when made, but may change significantly over time as new information becomes available. Should the Combined Company encounter mineralisation or geological formations different from those predicted by Paladin's past drilling, sampling and interpretations, estimates may need to be adjusted in a way that could adversely affect the Combined Company's operations and may have an impact on development and mining plans. There is also a risk that exploration targets will not be met and Mineral Resources cannot be converted into Ore Reserves. Due to the uncertainty which may attach to inferred Mineral Resources, there is no assurance that inferred Mineral Resources will be upgraded to measured or indicated Mineral Resources or proven or probable Ore Reserves as a result of continued exploration.

Exploration hazards and risks.

The success of the Combined Company depends on the delineation of economically minable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to Paladin's exploration and mining concessions and obtaining all consents and approvals necessary for the conduct of its exploration activities.

Exploration on Paladin's existing exploration and mining concessions may be unsuccessful, resulting in a reduction of the value of those mineral concessions, diminution in the cash reserves of the Combined Company and possible relinquishment of the exploration and mining concessions.

It may not always be possible for the Combined Company to exploit successful discoveries that may be made in areas in which it has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Combined Company's.

Mining and development risks.

Profitability depends on successful exploration and/or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management. Mining and development operations can be hampered by force majeure circumstances, environmental considerations and cost overruns for unforeseen events.

Contract and joint venture risks.

The Combined Company may enter into agreements and undertakings with third parties from time to time. If the Combined Company is unable to satisfy the conditions of these agreements and undertakings, or if it defaults on its obligations under these agreements and undertakings, the Combined Company's interest in their subject matter may be jeopardised. Further, if the third parties default on their obligations under the agreements and undertakings, the Combined Company may be adversely affected.

In addition, there is a risk of financial failure or default by a participant in any joint venture to which Paladin currently is or the Combined Company may become a party to, or the insolvency or managerial failure by any of the contractors used by the Combined Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used for any activity.

Shortages and price volatility.

Paladin is dependent on various input commodities (such as fuel, and other key inputs) and equipment (including parts) to conduct its exploration activities. A shortage of such input commodities or equipment or a significant increase in their cost could have a material adverse effect on the Combined Company's ability to carry out its exploration and therefore limit, or increase the cost of, discovery. Paladin is also dependent on access to and supply of water and electricity to carry out its exploration, and such access and supply may not be readily available. Market prices of input commodities can be subject to volatile price movements, which can be material, occur over short periods of time and are affected by factors that are beyond Paladin's control. An increase in the cost, or decrease in the availability, of input commodities or equipment may affect the timely conduct and cost of the Combined Company's exploration objectives. If the costs of certain input commodities consumed or otherwise used in connection with its exploration were to increase significantly, and remain at such levels for a substantial period, the Combined Company may determine that it is not economically feasible to continue exploration on some or all of its current projects, which could have an adverse impact on the Combine Company's financial performance and share price.

Infrastructure in most of Africa for utilities such as electricity and water supply is under strain and underdeveloped. Paladin depends on the reliable and continuous delivery of sufficient power and water supply to its projects. A serious failure of basic infrastructure or occurrences of power outages across the country could adversely affect production at the Combined Company's operations in Africa. Uranium mining activity is resource intensive and, as a result, the Combined Company's costs and net earnings may be adversely affected by the availability or cost of energy, water, fuel or other key inputs. If the prices of key inputs rise significantly more than expected, or if Paladin experiences interruptions in, or constraints on, its supply of key inputs, the Combined Company's costs could increase and its results could be adversely affected.

An interruption in raw material, electricity, gas or water supply, a deterioration in the quality of raw materials or inputs supplied or an increase in the price of those raw materials or inputs could also adversely impact the quality, efficiency or cost of production. Any or all of these events could have an adverse impact on Paladin's operations, its financial condition and financial performance and are beyond Paladin's control.

Future capital requirements.

Paladin's ongoing activities may require substantial further financing in the future. Any additional equity financing may be dilutive to shareholders of the Combined Company, may be undertaken at lower prices than the current market price or may involve restrictive covenants which limit the Combined Company's operations and business strategy. Although the Paladin Directors believe that additional capital may be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Combined Company or at all. If the Combined Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the Combined Company's activities and could affect its ability to continue as a going concern or remain solvent.

Future growth opportunities.

Paladin's business involves the acquisition and disposal of business ventures or interests in business ventures from time to time. There is a risk that the Combined Company may be unable to identify and/or execute suitable growth opportunities, and a failure to do so could have an adverse impact on its value. Further, business acquisitions entail a number of inherent risks, including (without limitation) the effective integration of the relevant asset or business (including the realisation of synergies), significant one-time write-offs or restructuring charges and unanticipated costs and liabilities. Any such acquisitions potentially expose the Combined Company to the risks commonly associated with undertaking such activities, including a failure to identify material adverse issues as part of due diligence, a failure to take sufficient mitigating action in respect of identified material issues, or underestimating the materiality of such issues. The Combined Company may also become liable for the past acts, omissions or liabilities of companies or businesses or properties that Paladin has acquired or disposed of, which may be unforeseen or greater than anticipated.

The mining industry is competitive and the Combined Company will face competition for mineral interest acquisitions.

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. Paladin currently competes with other companies, including major uranium companies internationally. Some of these companies have greater financial and other resources than Paladin has and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Combined Company can compete effectively with these companies. Accordingly, there can be no assurance that the Combined Company will acquire any interest in additional operations that would yield reserves or result in commercial mining operations.

Nuclear energy competes with other viable energy sources.

Nuclear energy competes with other sources of energy, including oil, natural gas, coal and hydroelectricity.

These other sources are to some extent interchangeable with nuclear energy, particularly over the longer term. Sustained lower prices of oil, natural gas, coal and hydro-electricity may result in lower demand for uranium concentrates and uranium conversion services, which in turn may result in lower market prices for uranium, which would materially and adversely affect the Combined Company's business, financial condition and results of operations.

Security of tenure.

All tenements in which Paladin will have interests are subject to renewal conditions or are yet to be granted, which will be at the discretion of the relevant governmental ministries in Namibia, Canada and the various states and territories in Australia where Paladin will have projects. The maintenance of tenements, obtaining renewals, or getting tenements granted often depends on Paladin being successful in obtaining required statutory approvals for proposed activities. Paladin may lose title to, or interests in, its tenements if the conditions to which those tenements are subject are not satisfied or if insufficient funds are available to meet expenditure commitments. In the jurisdictions in which Combined Company will operate, both the conduct of operations and the steps involved in acquiring interests will involve compliance with numerous procedures and formalities. It is not always possible to comply with, or obtain waivers from, all such requirements and it is not always clear whether requirements have been properly completed, or that it is possible or practical to obtain evidence of compliance. In particular, tenements are subject to expenditure and work commitments which must be complied with in order to keep the tenements in good standing. In certain circumstances, these commitments may be varied at the discretion of the relevant mining authority. Failure to meet these commitments could lead to forfeiture of the tenement. Where tenement expenditures and work commitments or other regulatory requirements are not complied with, regulatory exemptions may need to be applied for within specified periods. Should exemptions not be applied for in time, or are applied for in time but are not ultimately granted, fines may be payable to avoid the tenements being forfeited or, in extreme cases, the tenements may be forfeited. While Paladin anticipates that subsequent renewals or mineral tenure grants will be given as and when sought, there is no assurance that such renewals or grants will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.

Mineral exploration and development are speculative in nature and involve a high degree of risk.

Development of Paladin's mineral exploration properties is contingent upon obtaining satisfactory exploration results. Mineral exploration and development involves substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate. The degree of risk increases substantially when a company's properties are in the exploration phase as opposed to the development, construction and operational phase. There is no assurance that commercial quantities of ore will be discovered on any of Paladin's exploration properties. There is also no assurance that, even if commercial quantities of ore are discovered, a mineral property will be brought into commercial production. The discovery of mineral deposits is dependent upon a number of factors including the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit, once discovered, is also dependent upon a number of factors, some of which are the particular attributes of the deposit such as size, grade, metallurgy and proximity to infrastructure,

metal prices and government regulations, including the availability of required authorisations, permits and licences and regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection.

Successful development is also subject to a number of operational and other risks, including unexpected geological formations, conditions involved in the drilling and removal of material (which could result in damage and/or destruction to plant and equipment, loss of life or property, environmental damage and possible legal liability), obtaining governmental and stakeholder approvals, changes in Ore Reserves, commodity prices, exchange rates, construction costs, design requirements, delays in construction and expansion plans. In addition, assuming discovery of a commercial ore body, several years can elapse (depending on the type of mining operation contemplated) from the initial phase of drilling until commercial operations are commenced. Most of these factors will be beyond the control of the Combined Company. In the event that its exploration activities prove unsuccessful as a result of one or more of the above factors, the Combined Company may experience a diminution in the value of its projects, a reduction in its cash reserves and possible relinquishment of part or all of its projects.

Interests in current or future joint ventures are subject to the risks normally associated with the conduct of joint ventures.

Paladin participates in several joint venture and shareholder arrangements and the Combined Company may enter into similar arrangements in the future. Although Paladin has sought to protect its interests, existing and future joint ventures and agreements necessarily involve special risks.

Whether or not the Combined Company will hold majority interests or maintain operational control in Paladin's existing joint ventures and agreements, its partners may:

- Have economic or business interests or goals that are inconsistent with, or opposed to, those of the Combined Company;
- Exercise veto rights to block actions that the Combined Company believes are in its or the joint venture's or agreement's best interests;
- Take action contrary to the Combined Company's policies or objectives with respect to its investments; or
- Be unable or unwilling to fulfil their obligations under the joint venture or other agreements, such as contributing capital to expansion or maintenance projects.

Accordingly, the financial performance of the Combined Company will be exposed to any failure by participants of a joint venture to agree on a plan or any plan to develop a jointly owned asset, a refusal or inability of any joint owner of an asset to contribute its share of funding of the cost of development of a jointly owned asset, and to a risk of legal or other disputes with participants in any joint venture to which Paladin is or may become a party. Where projects and operations are controlled and managed by entities other than the Combined Company, it may provide expertise and advice but it has limited control with respect to compliance with its standards and objectives. Improper management or ineffective policies, procedures or controls could adversely affect the value of related non managed projects and operations and, by association, damage the Combined Company's reputation thereby harming its other operations and access to new assets. In addition, there is a risk of financial failure or default by a participant in any joint venture to which Paladin currently is or the Combined Company may become a party to.

Certain fundamental matters in respect of LHMHL require the approval of CNNC and disputes could adversely affect the Combined Company.

On July 23, 2014, Paladin entered into a shareholders' agreement with CNNC, a subsidiary of China National Nuclear Corporation, in respect of the operations of LHMHL, the ultimate owner of the Langer Heinrich Mine (the "Shareholders' Agreement"). Paladin holds a 75% interest in LHMHL, and CNNC holds 25% interest in LHMHL. Under

the Shareholders' Agreement, there are a number of fundamental matters (the "**Fundamental Matters**") which must be approved by a majority of directors of which at least one must be a CNNC nominee (for so long as CNNC holds at least a 14% interest), in effect giving the CNNC nominee a veto right over such matters.

The list of Fundamental Matters includes, but is not limited to, the approval of a mine expansion (and entering into financing arrangements to fund a mining expansion), any acquisition or disposal of LHMHL's assets for a market value greater than \$5 million, LHMHL entering into agreements with one of its shareholders (including shareholder loans), the issue of shares or convertibles, and amendments to the constituent documents of LHMHL. There can be no certainty or assurance that CNNC will approve any Fundamental Matter which it is required to consider, and it is possible that the failure to obtain such approvals could have an adverse impact on the viability of Paladin's interest in LHMHL as well as the success and profitability of the joint venture arrangement. The joint venture arrangements with CNNC are also subject to other risks normally associated with the conduct of an incorporated joint venture of this nature. These risks include, but are not limited to, Paladin's inability to exert influence over certain strategic decisions (especially if they constitute Fundamental Matters); disagreement between the Company and CNNC over how to operate the Langer Heinrich Mine or any future variation or expansion of the Langer Heinrich Mine; the ability to fund LHMHL; the inability of shareholders to meet their obligations; and deadlocks or litigation between shareholders in relation to joint venture matters. Disputes between the joint venture partners have the potential to have a material adverse effect on Paladin's financial performance and/or prospects.

Offtake risks.

The operations and revenues of the Combined Company will be dependent on the counterparties to existing and future offtake agreements (including the Offtake Agreement) performing their obligations. If counterparties do not take their obligated quantities of product or seek to renegotiate the price or quantity of product, the Combined Company's revenue could be adversely affected. Furthermore, recovery of product delivered under offtake agreements may be difficult in the event of non-payment. The risk of non-performance or attempted renegotiations of terms by offtake customers is enhanced by the prevailing demand and pricing sensitivities currently impacting the global market for uranium products. If the Combined Company is not able to achieve the required product specification to satisfy customer offtake agreements, there is no guarantee it will be able to sell its product. There is no certainty that the Combined Company will be able to continuously meet product specifications particularly on account of the inherent risks associated with the extraction and processing of uranium.

Processing uranium is associated with risks.

The Combined Company's operations will be subject to the operating risks associated with processing uranium, including performance of processing facilities against design specification and the related risks associated with storage and transportation of raw materials, products and residues. The hazards associated with Paladin's mining and processing operations and the related storage and transportation of products and residues include, but are not limited to:

- Pipeline and storage tank leaks and ruptures;
- Explosions and fires;
- Mechanical failures;
- Chemical spills and other discharges or releases of toxic or hazardous substances or gases; and
- Residue storage and tailings dam failures

These hazards may cause personal injury and loss of life, damage to property and contamination of the environment, which may result in suspension of operations and the imposition of civil or criminal penalties, including fines, expenses for remediation and claims brought by governmental entities or third parties, as well as damage to the Combined Company's reputation. Although Paladin has detailed and closely managed plans to mitigate these risks

and maintains property and casualty insurance of types and in the amounts that it believes is customary for its industry, the Combined Company will not be fully insured against all potential hazards incidental to its businesses.

Supply chain and counterparty risks.

The Langer Heinrich Mine operates within a complex supply chain. Paladin depends on suppliers of raw materials, services, equipment and infrastructure to ensure its mine and process plant can operate and on providers of logistics to ensure products are delivered. Failure of significant components of this supply chain due to strategic factors such as business failure or serious operational factors, could have an adverse effect on the Combined Company's business and results of operations. Paladin currently relies on various key customer and supplier relationships and on contractors to conduct aspects of its operations including mining operations. As such, Paladin is exposed to risks related to their activities. Although contracted services will be supervised by the Combined Company's employees, such arrangements with contractors carry with them risks associated with the possibility that the contractors may (among other things):

- Have economic or other interests or goals that are inconsistent with the Combined Company;
- Take actions contrary to the Combined Company's instructions or requests; or
- Be unable or unwilling to fulfil their obligations.

There can be no assurance the Combined Company will not experience problems with respect to its contractors and service providers in the future or that it will be able to find replacement contractors on acceptable terms in the event that contractors do not perform as expected and this may materially and adversely affect its business, results of operations, financial condition and prospects. Financial failure or default by any of the contractors or service providers used by the Combined Company in any of its activities may impact on operating and/or financial performance.

A loss or deterioration in any of these key customer and supplier relationships or a failure by customers, contractors or other counterparties to perform and manage their obligations to an acceptable standard and in accordance with key contracts could have a material adverse effect on the Combined Company's operations, financial condition and prospects. This will be beyond the Combined Company's control.

Logistics risks.

Paladin depends on the availability and affordability of reliable transportation facilities, infrastructure and certain suppliers to deliver its products to market. A lack of these could impact the Combined Company's production and development of projects. Logistical risk relates to long supply lines and lack of engineering and other support facilities close to Paladin's operating sites. In Africa, the shipment of uranium concentrate for export could be subject to disruptions through shipment licensing delays, political disputes and natural disasters.

Health and safety risks.

Paladin has systems in place for the management of risks, however uranium exploration and mining is inherently a high risk environment with little margin for error. In addition, where Paladin has an interest located in a developing country, embedding systems for managing occupational health and safety risks, and maintaining and ensuring compliance with these systems may present challenges for Paladin. Interests in countries where HIV/AIDS, ebola, malaria, COVID-19 and other diseases may represent a threat to maintaining a skilled workforce in Paladin's projects.

There can be no assurance that such infections will not affect project staff, and there is the risk that operations and production could be affected in the event of such a safety threat. If there is a failure to comply with necessary occupational health and safety requirements, this could result in safety claims, fines, penalties and compensation for damages against Paladin, as well as reputational damage.

Tax and royalty risks.

Any change to the current rate of Paladin's income tax or mineral royalties in jurisdictions where the company operates will impact on the profitability and performance of Paladin. Changes in tax laws could adversely affect Paladin's tax position, including the effective tax rate or tax payments. Paladin often relies on generally available interpretations of applicable tax laws and regulations. There cannot be certainty that the relevant tax authorities are in agreement with Paladin's interpretation of these laws. If Paladin's tax positions are challenged by relevant tax authorities, the imposition of additional taxes could require Paladin to pay taxes that it currently does not collect or pay, or increase the costs of Paladin's services to track and collect such taxes, which could have a negative effect on Paladin's business, financial condition and results of operations. The occurrence of any of the foregoing tax risks could have a material adverse effect on Paladin's business, financial condition and results of operations.

Australian uranium policy.

At the national level of Australian politics, both the federal coalition parties and the federal labor party support the development of the uranium industry. However, the granting of licences to mine uranium is a decision made within the residual jurisdiction of each Australian state government and the government of the Northern Territory. The attitude of the various state and territory governments to uranium mining differ. For example, the state government of South Australia supports existing mines and the government of the Northern Territory is also generally supportive of existing mines and is receptive to new uranium projects.

The state government of Queensland permits uranium exploration, but bans uranium mining, whilst the current state government of Western Australia currently has a no-development uranium mining policy. The Combined Company's prospects of developing Paladin's Australian uranium interests depends upon the extent to which government policy is supportive of uranium exploration and development activities. Through membership of industry bodies, Paladin is involved in initiatives focused on facilitating government support. There can be no assurance that state or territory governments that currently permit uranium mining will continue to do so, or that they will not be replaced in elections with governments that will reinstitute the moratorium on uranium mining in Australia, or that uranium mining will be allowed in states (such as Western Australia or Queensland) where uranium mining is currently not allowed. Any adverse change in state or territory governmental policy may materially adversely affect the financial condition and results of operations of the Combined Company.

Indigenous title.

In the context of interests of indigenous peoples in Australia, the Native Title Act 1993 (Cth) recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. The risks arising because of indigenous title and aboriginal land rights may affect the Combined Company's ability to gain access to prospective exploration areas to obtain production titles. Mining tenement applications and existing tenements may be affected by indigenous title claims or procedures (which may preclude or delay the granting of exploration and mining tenements), with the possibility of considerable expenses and delays involved in negotiating and resolving issues or obtaining clearances. Compensatory obligations may be necessary in settling indigenous title claims lodged over any of the tenements held or acquired by Paladin. The level of impact of these matters will depend, in part, on the location and status of the Combined Company's tenements.

Aboriginal title and consultation issues in relation to the Michelin Project.

The Michelin Project is located within the traditional territory of the Inuit residing in Labrador, Canada. The area is governed by a modern day treaty which recognises the Inuit of Labrador's right to self-government through the Inuit Nunatsiavut Government. Five of the deposits comprising the Michelin Project fall within the Labrador Inuit Lands, use and access to which are governed by the Inuit Nunatsiavut Government. Development of the Michelin Project requires the collaboration and support of the Inuit and potentially other aboriginal groups. There can be no assurance that title claims as well as related consultation issues will not arise on or with respect to Paladin's existing properties, or with respect to access to the properties that comprise the Michelin Project. Failure to resolve such issues could result in delays to a potential project development.

Access to land.

The Combined Company will experience delays and cost overruns if it is unable to access the land required for its operations. This may be as a result of weather, environmental restraints, native title, harvesting, landholder's activities or other factors. The Combined Company's exploration activities will also be dependent upon the grant, or as the case may be, the maintenance or renewal of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintenance, renewal and granting of tenements often depends on the Combined Company being successful in obtaining required statutory approvals. There is no assurance that the Combined Company will be granted all the mining tenements for which Paladin has applied or that licences, concessions, leases, permits or consents will be renewed as and when required or that new conditions will not be imposed in connection therewith. To the extent such approvals, consents or renewals are not obtained, the Combined Company may be curtailed or prohibited from continuing with its exploration activities or proceeding with any future exploration or development.

Risks associated with subsidiaries.

Paladin is a holding company with no significant assets other than cash and the shares of its wholly-owned and non-wholly-owned subsidiaries. Accordingly, any limitation on the transfer of cash or other assets between the Combined Company and its subsidiaries could restrict the Combined Company's ability to fund its operations efficiently and to meet its payment obligations. Any such limitations, or the perception that such limitations may exist now or in the future, could also have an adverse impact on the Combined Company's valuation and share price.

Major shareholder risks.

There is a risk that Paladin's substantial shareholders may seek to sell down their shareholdings in the Combined Company. Significant sales, or a perception that a sell down may occur, could adversely affect the price of Paladin Shares.

Certain directors are involved in other mining interests.

Certain Paladin Directors may be involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnership or joint ventures which may be potential competitors of the Combined Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Combined Company. Directors and officers of the Combined Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies.

Risk of dilution.

The Combined Company may undertake offerings of securities in the future to raise capital as well undertaking as equity-funded acquisitions, which may also dilute the holdings of investors. The increase in the number of shares issued and the possibility of sales of such shares may have a depressive effect on the price of issued and outstanding Paladin Shares.

General Risks***Labour and employment relations.***

Exploration at the Combined Company's projects will be dependent upon the efforts of, and maintaining good relationships with, its employees. Relations between the Combined Company and its employees may be impacted by changes in labour relations, which may be introduced by, among others, employee groups, unions, and the relevant governmental authorities in whose jurisdictions the Combined Company carries on business. Adverse changes in such legislation or in the relationship between the Combined Company and its employees may have a material adverse effect on the business, results of operations, and financial condition of the Combined Company.

As its business grows, the Combined Company will require additional staff for operations as well as additional key financial, administrative, mining, marketing and public relations personnel. In addition, given the remote location of the properties, the lack of infrastructure in the nearby surrounding areas and the shortage of a readily available labour force in the mining industry, the Combined Company may experience difficulties retaining the requisite skilled employees in Namibia. It is important for the Combined Company's continued success that it attracts, develops, retains and engages the right employees. A limited supply of skilled workers could lead to an increase in labour costs or the Combined Company being unable to attract and retain the employees it needs. When new workers are hired, it may take a considerable period of training and time before they are equipped with the requisite skills to work effectively and safely on some of the inherently dangerous tasks associated with the uranium mining industry. Failure to retain without appropriate replacement or to attract employees with the right skills could have a material adverse effect on the Combined Company's business. While Paladin believes that it will be successful in attracting and retaining qualified personnel and employees, there can be no assurance of such success.

Global Financial Conditions.

Global financial conditions have been characterized by increased volatility and some financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities. Although there has been some recovery, there is no certainty that the disruptions and their effects have ended and will not continue to affect the markets. These factors may impact the ability of the Combined Company to obtain equity or debt financing in the future on favourable terms, or at all. Securities of uranium companies have experienced substantial volatility, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in the country where Paladin currently carries on business and globally, and market perceptions of the attractiveness of particular industries.

Economic conditions, both domestic and global, may affect the performance of Paladin. Adverse changes in macroeconomic conditions, including global and country-by-country economic growth, the cost and general availability of credit, the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), general consumption and consumer spending, employment rates and industrial disruption, amongst others, are outside the control of Paladin and may result in material adverse impacts on Paladin's business and operating results. Changes in global macroeconomic conditions may result in reduced global economic activity, and therefore reduced demand for electricity. This may have a negative impact on the demand for, and price of, uranium.

Dividends and Working Capital Risk.

Paladin has not paid dividends on Paladin Shares and expects to retain all earnings and other cash resources in the short term for the future operation and development of its business. The only present source of funds available to Paladin is through sale of uranium production, the sale of its securities, debt financing, or the sale or syndication of a portion of its interest in its mineral properties. While the Combined Company may generate additional working capital through further equity offerings, borrowings or through the sale or possible syndication of its properties, there is no assurance that any such funds will be available on favourable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Combined Company at risk.

Anti-corruption Laws.

Paladin and certain of its subsidiaries and affiliated entities may conduct business in countries where there is government corruption. Paladin is committed to doing business in accordance with all applicable laws and its codes of ethics, but there is a risk that it, its subsidiaries or affiliated entities or their respective officers, directors, employees or agents may act in violation of its codes and applicable laws, including the *Corruption of Foreign Public Officials Act* (Canada) and the Organization of Economic Cooperation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Any such violations could result in substantial civil and criminal penalties and might materially adversely affect Paladin's business and results of operations or financial condition.

Litigation Risk.

Legal proceedings may be brought against Paladin, for example, litigation based on its business activities, environmental laws, tax matters, volatility in its stock price or failure to comply with its disclosure obligations, which could have a material adverse effect on Paladin's financial condition or prospects. Regulatory and government agencies may bring legal proceedings in connection with the enforcement of applicable laws and regulations, and as a result Paladin may be subject to expenses of investigations and defense, and fines or penalties for violations if proven. Further, Paladin may potentially incur cost and expense to remediate, increase operating costs, implement changes to operations, and through the cessation of operations if ordered to do so or required in order to resolve such proceedings.

All industries, including the mining industry, are subject to legal claims, where claims may be with or without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which Paladin is or may become subject could have a material effect on its financial position, results of operations or Paladin's mining and project development operations.

Future earnings, asset values and the relative attractiveness of Paladin's shares may be affected by changes in law and government policy in the jurisdictions in which Paladin operates, in particular changes to taxation laws (including stamp duty and goods and services tax).

Industrial Risk.

Industrial disruptions, work stoppages and accidents in the course of the Combined Company's operations could result in losses and delays, which may adversely affect profitability.

The market price of Paladin Shares may fluctuate in response to market conditions.

As with all securities investments, there are risks associated with any investment in securities. Securities listed on the stock market, and in particular securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the Paladin Shares regardless of the Combined Company's performance. Paladin Share prices may rise or fall and the price of Paladin Shares might trade below the price paid for those Paladin Shares.

General factors that may affect the market price of Paladin Shares include economic conditions in both Australia and internationally, investor sentiment and local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of disturbances, changes to government regulation, policy or legislation, fiscal, monetary and regulatory policies, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

Liquidity Risk.

There cannot be any guarantee that there will continue to be an active market for Paladin Shares or that the price of Paladin Shares will increase. There may be relatively few buyers or sellers of shares on ASX and NSX at any given time. This may affect the volatility of the market price of Paladin Shares. It may also affect the prevailing market price at which Paladin Shareholders are able to sell Paladin Shares held by them. This may result in Paladin Shareholders receiving a market price for their Paladin Shares that is less or more than the price paid for the Paladin Shares.

Economic factors and exchange rate fluctuations.

Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption impact Paladin's operating costs, commodity prices and stock market processes. Paladin incurs expenditures in Australian,

Canadian and Namibian dollars, whereas funds on hand are typically held in Australian or US dollars. The Combined Company's future possible revenues and share price can be affected by these factors, which are beyond its control. Paladin may consider hedging or derivative instruments to manage foreign exchange rate movements.

Paladin Shares are quoted in Australian dollars and are listed on the ASX and the NSX, and Paladin trades on the OTCQX market in the United States. An investment in Paladin Shares by an investor in a jurisdiction, in which the principal currency is not Australian dollars, exposes the investor to foreign currency rate risk. Any depreciation of the Australian dollar may reduce the value of the investment of the investor in terms of their local currency.

Public Acceptance of Nuclear Energy Cannot Be Assured.

Growth in the demand for uranium and in the nuclear power industry will depend upon continued and increased acceptance of nuclear technology by the public as a safe and viable means of generating electricity. Growth of the uranium and nuclear power industry will also depend on continued and increased acceptance of nuclear technology as a means of generating electricity. Because of unique political, technological and environmental factors that affect the nuclear industry, the industry is subject to public opinion risks which could have an adverse impact on the demand for nuclear power and increase the regulation of the nuclear power industry. An accident or incident at a nuclear reactor anywhere in the world, or an accident or incident relating to the transportation or storage of new or spent nuclear fuel, could negatively impact the public's acceptance of nuclear power and the future prospects for nuclear power generation, which may have a material and adverse effect on the Combined Company's financial condition and results of operations.

Corporate culture and business conduct.

Corporate culture can greatly influence individual and group behaviours. The behaviours that could expose the Combined Company to conduct risk include, but are not limited to:

- Delays in appropriately escalating regulatory and compliance issues;
- Failure to resolve issues in a timely manner; and
- Failure to deliver on product and service commitments.

If the Combined Company's conduct and ethics related controls, frameworks and practices were to fail significantly, be set inappropriately, or not meet legal, regulatory, or community expectations, then the Combined Company may be exposed to reputational damage through fines, regulatory intervention or investigation, temporary or permanent loss of licenses, litigation and/or permanent loss of business.

Community acceptance and reputation.

The ongoing support of the local communities in which Paladin currently operates and the appropriate management of local community expectations is important to the successful operation of the Combined Company's projects and assets. The Combined Company's failure to effectively maintain and develop its relationships with local communities and stakeholders could result in those stakeholders being dissatisfied with the Combined Company and result in adverse outcomes for the Combined Company and its operations.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal proceedings

Since July 1, 2022, the beginning of Paladin's most recently completed financial year, there have been and are no material legal proceedings outstanding, threatened or pending, by or against Paladin or to which Paladin is a party or to which any of Paladin's property is subject, nor to Paladin's knowledge are any such legal proceedings contemplated, which could become material to Paladin other than as disclosed below.

Regulatory Actions

Within the three years immediately preceding the date of the Circular, there have been and are no regulatory actions, proceedings outstanding, threatened or pending, by or against Paladin or to which Paladin is a party or to which any of Paladin's property is subject, nor to Paladin's knowledge are any such regulatory actions contemplated, which could become material to Paladin.

Significant Acquisitions

Other than the Arrangement, Paladin has not entered into a significant acquisition since the beginning of Paladin's most recently completed financial year ended of June 30, 2023.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Within the three years before the date of the Circular, no director or executive officer of Paladin, or shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Paladin Shares, or any known associates or affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect Paladin.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

The external auditor of Paladin is the Australian firm of PricewaterhouseCoopers ("PwC Australia"), located at Brookfield Place, 15/125 St Georges Terrace, Perth WA 6000, Australia. PwC Australia has advised that they are independent of Paladin within the meaning of the ACA and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants that are relevant to the audit of Paladin's financial statements in Australia. PwC Australia audited the financial statements of Paladin for the year ended June 30, 2023 and, in accordance with Australian Auditing Standards, issued an independent auditor's report dated August 25, 2023.

With respect to the unaudited condensed consolidated financial statements of Paladin for the six months ended December 31, 2023, included in this Appendix, PwC Australia reported that they have applied limited procedures in accordance with professional standards for a review of such information. However, their separate report dated February 22, 2024 appearing herein states that they did not audit and they do not express an opinion on the unaudited condensed consolidated financial statements. Accordingly, the degree of reliance of their report on such information should be restricted in light of the limited nature of the review procedures applied.

PwC Australia prepared the audit and review reports solely to comply with Australian Auditing Standards and Australian Auditing Standards applicable to review engagements respectively. PwC Australia did not consider the auditing or review standards or practices of any jurisdictions other than Australia. Accordingly, the audit and review reports should not be relied upon as if they had been provided in accordance with, or having regard to, standards or practice in any other jurisdiction outside Australia.

Transfer agents, registrars, trustees or other agents

The transfer agent and registrar for Paladin Shares is Computershare Investor Services Pty Ltd., which is located at Level 11, 172 St Georges Terrace, Perth, Western Australia, where transfers of securities of Paladin may be recorded.

MATERIAL CONTRACTS

Other than the contracts entered into in the ordinary course of business and as disclosed below, there are no material contracts entered into by Paladin since the beginning of the most recently completed fiscal year, or that are still in effect prior to the date of this Appendix.

- **Syndicated Debt Facility**

On January 24, 2024, Paladin and Paladin Finance Pty Ltd entered into a US\$150 million syndicated debt facility agreement with Nedbank Limited, acting through its corporate and investment banking division, Nedbank CIB, and Macquarie Bank Limited, with Nedbank CIB acting as lead arranger and bookrunner, on the following terms:

- (i) A US\$100 million amortising term loan with a five (5) year term (the “**Term Facility**”);
- (ii) A US\$50 million revolving credit facility with a three (3) year term (with two options to extend by 12 months) (the “**Revolving Credit Facility**”);
- (iii) The Term Facility has a quarterly capital repayment structure over 16 repayment periods, to commence the first quarter following 12 months after financial close; and
- (iv) Paladin and Paladin Finance Pty Ltd may choose to repay and redraw from the Revolving Credit Facility anytime during the availability period and must repay in full by final maturity date.

- **Shareholders’ Agreement with CNNC**

Paladin is a party to the Shareholders’ Agreement with CNNC.

- **Offtake Agreement with CNNC**

On July 23, 2014, Langer Henrich Uranium (Pty) Ltd, the wholly-owned subsidiary of LHMHL, entered into an offtake agreement with CNNC (the “**Offtake Agreement**”). Under the Offtake Agreement, CNNC is entitled to a pro-rata share of production from the Langer Heinrich Mine at a small discount to spot market prices for the life of the Langer Heinrich Mine. The Offtake Agreement is material to Paladin, as Paladin has a 75% ownership in LHMHL and recovery of product delivered under the Offtake Agreement impacts the operations at the Langer Heinrich Mine.

- **Mining Agreement with Trollope Mining Namibia**

LHU is in a process of appointing a mining contractor ahead of the scheduled Restart Plan. On October 18, 2023, LHU entered into a mining agreement with Trollope Mining Namibia (TMN) for the stockpile reclaim phase of the operation (the “**TMN Agreement**”). The TMN Agreement is envisaged to run for the entirety of the stockpile reclaim phase with a possibility of renewal to the approved contractor for the mining phase. The mining contractor will be responsible for providing mobile equipment, blasting, operators, and maintenance. The contractor will continue to operate under LHU management’s direction for planning and grade control.

- **Offtake Agreement with Namibia Water Corporation Limited**

On March 24, 2006, Paladin and Namibia Water Corporation Limited entered into an offtake agreement for bulk water supply as amended from time to time in accordance with water supply requirements.

- **Power Supply Agreement with Namibia Power Corporation (Pty) Ltd**

On September 30, 2005, Paladin and Namibia Power Corporation (Pty) Ltd entered into a power supply agreement (“**Power Supply Agreement**”) and on February 22, 2024, Paladin and Namibia Power Corporation (Pty) Ltd entered into an Addendum to the Power Supply Agreement whereby power is supplied by Namibia Power Corporation (Pty) Ltd for a capacity of 12 MVA. Namibia Power Corporation (Pty) Ltd has confirmed its capability to meet this power demand starting in April 2024 in line with the Restart Plan.

- **Fuel Agreement with Namcor Petroleum Trading and Distribution (Proprietary) Limited**

On June 10, 2024, Paladin and Namcor Petroleum Trading and Distribution (Proprietary) Limited entered into fuel agreement, whereby Namcor Petroleum Trading and Distribution (Proprietary) Limited will store and supply very low sulphur fuel oil.

EXPERTS

Names of experts

PwC Australia prepared the independent auditor's report for the audited annual consolidated financial statements of Paladin for the year ended June 30, 2023, copies of which are appended as Exhibit I to this Appendix G. PwC Australia has advised that it is independent with respect to Paladin in accordance with the ACA and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants that are relevant to the audit of Paladin's consolidated financial statements in Australia.

D. Varcoe (FAusIMM), D. Princep (FAusIMM (CP)), R. Chesher (FAusIMM (CP)) and S. Dorman prepared the Technical Report and are "qualified persons" as defined under NI 43-101, and have reviewed and approved the scientific and technical disclosure contained in this Appendix.

Interest of experts

To the knowledge of Paladin, after reasonable inquiry, as of the date hereof, the aforementioned experts and, as applicable, their associates or affiliates, do not beneficially own, directly or indirectly, any securities of Paladin as of the date hereof.

OTHER MATERIAL FACTS

There are no material facts relating to Paladin that are necessary to disclose in order to have full, true and plain disclosure of all material facts relating to the Paladin Shares.

LIST OF EXEMPTIONS FROM INSTRUMENT

Paladin is exempted under Part 5.5 of NI 71-102 from providing disclosure regarding management's discussion and analysis, as Paladin is a "designated foreign issuer" as defined therein.

Paladin is exempted under Section 11.6(5) of NI 51-102 from providing disclosure regarding executive compensation, as Paladin is a "designated foreign issuer" as defined in NI 71-102.

Paladin is exempted under Section 1.2(c) of NI 52-110 from providing disclosure regarding Paladin's audit committee, as Paladin is a "designated foreign issuer" as defined in NI 71-102.

Paladin is exempted under Section 1.3(b) of NI 58-101 from providing disclosure regarding Paladin's corporate governance, as Paladin is a "designated foreign issuer" as defined in NI 71-102.

FINANCIAL STATEMENT DISCLOSURE FOR ISSUERS

Included in Exhibit I to this Appendix are the following:

- Paladin's Annual Report for the year ended June 30, 2023, containing the audited consolidated financial statements of Paladin for the financial year ended June 30, 2023;
- Paladin's Interim Financial Report for the six months ended December 31, 2023, containing the unaudited condensed consolidated interim financial statements of Paladin for the half year ended December 31, 2023; and
- the Pro Forma Condensed Consolidated Financial Statements.

EXHIBIT I TO APPENDIX G

See attached.



ANNUAL REPORT
2023



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As the world continues to move towards a decarbonised economy, Paladin is in the enviable position of being able to make a significant contribution, underpinned by a world class, long life mine located in a premier jurisdiction.



Chair's Letter



Dear Shareholders,

The 2023 Financial Year saw Paladin continue to execute on our strategy of returning the Langer Heinrich Mine (LHM) to production. The Restart Project is well advanced. The work executed combined with our well-defined pathway to production and the quality of our on-site operational and project management team ensure the project remains on track and on budget for first production in the first quarter of CY2024.

The restart of production at the LHM builds on the 10 year production history of the asset. The project has reserve life to support 17 years of operations with annual peak production representing around 4% of annual global uranium production¹ – a considerable contributor to the evolution to a carbon-free energy economy.

We have secured a strong uranium offtake portfolio with leading top tier global counterparties that will underpin the restart of the LHM. The LHM production is in strong demand from global utilities given the strategic importance of Namibia as a reliable, independent jurisdiction and the proven nature of our product. We will continue to layer our offtake contracts to ensure we provide a financially robust offtake position for the project. Importantly our contract book remains overweight to market-related pricing mechanisms to ensure that our Company continues to benefit from the strong demand and pricing outlook for uranium.

Nuclear energy remains one of the most cost effective and lowest carbon emitting forms of energy generation and the only viable long-term source of low carbon emission baseload power. Nuclear energy has received bipartisan political support in the United States of America and will benefit from the funds and grants available via the Inflation Reduction Act. Government support for nuclear is also significant across Europe where it has been recognised as a green source of energy by the European Union.

The growing global support for nuclear as a low carbon source of energy will continue to drive the underlying demand for uranium. With limited investment in new uranium mines, there is a growing supply deficit that is anticipated to remain at over 40Mlb per annum over the next decade. The LHM is set to deliver production into an increasingly supportive demand and price environment and Paladin stands ready to be part of a sustainable future.

Paladin is wholly committed to a best practice, globally accredited Environmental, Social and Governance (ESG) framework that sets standards of organisational behaviour and holds us firmly accountable. Our activities are underpinned by our ESG framework which is vitally important to us, and we work hard to ensure that both our personal and our organisational values and actions align with these standards. Paladin was delighted to welcome Dr Jon Hronsky OAM and Mrs Lesley Adams to the Paladin Energy Board during the year. Their extensive experience expands the complimentary skill set of the Paladin Board and reflects the Company's commitment to maintaining the highest standards of leadership and governance.

I would like to extend my thanks to all of our stakeholders who continue to support our Company as we work towards restarting the LHM. In particular, I would like to thank all of our staff, led by our CEO Ian Purdy, for your ongoing hard work and commitment. Finally, and most especially I wish to express my thanks to shareholders for continuing to offer trust and support as we return Paladin to production.

Together, we look forward to building a positive and sustainable future for our Company and for the planet.

Yours faithfully

Cliff Lawrenson
Chair

¹UxC 2Q 2022. Production includes existing and returning production during Paladin's peak production phase (as noted in the ASX Announcement "Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update" dated 4 November 2021)

Insights from the CEO



Dear Shareholders,

Paladin is on a clear pathway to becoming a globally significant independent uranium producer, helping the transition to a low-carbon global economy. Activities to restart production at the Langer Heinrich Mine (LHM) advanced during the year and the project remains on track and budget for first production in the first quarter of CY2024. The low risk, brownfield restart activities at LHM are supported by a combination of:

- Well defined pathway to production
- Strong in-country management and EPCM team
- Industry leading offtake portfolio
- Growing demand for uranium supported by increasing government support and incentives for nuclear energy
- Strong balance sheet
- Supportive local government and communities in Namibia.

With a structurally improving demand environment for uranium, an exceptional world-class project and strong sustainability credentials, Paladin remains positioned to continue to deliver sustainable returns to our shareholders.

ACTIVITIES AT THE LHM REMAIN ON TRACK AND BUDGET

Paladin's owner team, alongside EPCM partner, ADP, continue to progress and execute activities focused on returning the LHM to production.

The Restart Project site works remain focused on general Repairs and Refurbishment activities to return the existing process plant to operational readiness. In parallel, ADP continues to provide engineering and procurement services for the delivery of the Growth Project's process upgrades to increase throughput capacity and operational availability.

The Restart Project is well advanced and the following activities were progressed over FY2023:

- Over 850,000 lost time injury free project manhours executed at the end of FY2023
- Contractor workforce fully ramped up to anticipated peak with over 1,000 personnel on site, many from local communities
- Delivery of critical construction materials, plant and equipment to site, including the Hydrosort classifier, agitators, thickeners, cyclones, structural steel, prefabricated tanks and tank strakes
- Progression of Growth Project steel fabrication activities, including construction of the Hydrosort structure, other structural steel, plate works and leach surge tanks
- Workshop site assembly and testing of the automated and dustless drumming plant
- Mobilisation of the Project Commissioning Manager and commissioning team
- Shipment of the ion-exchange resin, required for the uranium extraction process
- Onboarding of the General Manager, Langer Heinrich Operations – Mining and the Process Manager
- An independent operational readiness gap assessment was completed, confirming the LHM is well placed for operations
- Recruitment strategies for the operational workforce and initial engagements with potential mining contractors have commenced.

Activities for FY2024 until first production include:

- Completion of the Repair & Refurbishment and Growth Project works
- Introduction of stockpile ore
- Completion of the operational readiness programme
- Completion of commissioning and handover to LHM Operations.

The extensive body of work conducted in FY2023, coupled with years of detailed planning are ensuring that the project remains on track and on budget for production in the first quarter of CY2024.



All permits and licenses for the project remain in good standing and we have secured the necessary water and power contracts. The extensive body of work conducted in FY2023, coupled with years of detailed planning are ensuring that the project remains on track and on budget (US\$118M) for first production in the first quarter of CY2024.

GOVERNMENT SUPPORT FOR NUCLEAR ENERGY TO DRIVE URANIUM DEMAND

Nuclear energy will continue to play an important role in the transition to a low carbon economy. Increasingly, governments around the world are recognising the importance of uranium's base load power capabilities to power grids that are becoming increasingly supplied by intermittent renewable power.

In the USA, there is bipartisan political support for nuclear energy, and in the EU, nuclear has been recognised as a green source of energy. Globally there are over 59 new reactors under construction¹. And in China, the commitment to nuclear energy continues to strengthen with demand expected to grow from 18% to 35% of global requirements by 2040².

Whilst there is strengthening support for demand for nuclear energy and uranium, the supply remains tight with limited sources of production growth. Large recent uranium mine closures such as Cominak and Ranger, combined with the lack of new mine supply, are anticipated to see approximately a 40Mlb per annum supply deficit persist to the end of this decade. Global uranium production in 2023 is forecast to be at 142Mlb³, significantly below total demand of 177Mlb. In recent years, the deficit has been met by secondary supplies and inventory drawdowns by utilities.

Inventory overhang is largely over and utilities are returning to contracting with primary producers. CY2022 saw over 125Mlb of term contracts signed, a 74% increase on the prior year, as utilities look to lock in their future uranium demand requirements⁴. The pricing environment has strengthened significantly across the entire nuclear value chain, including uranium, conversion and enrichment.

Paladin has taken advantage of the nuclear industry's growing demand for long term uranium supply by constructing a leading offtake contract book to underpin the restart of the LHM.

At Paladin, we are committed to making a valuable contribution to the reduction in carbon emissions. The uranium that will be mined and processed at the LHM will be used to resource nuclear power plants, displacing gas and coal-fired electricity.

SECURING AN INDUSTRY LEADING CONTRACT BOOK

As part of our decision for restarting production at LHM, Paladin put in place a strategy to secure a global contract book with industry leading counterparties to underpin the financial security of our Company. Furthermore, our very targeted uranium marketing activities were aimed at reducing the impact of our supply on the spot market and ensuring that Paladin remains overweight to market pricing early in the uranium market up-cycle.

That strategy has been highly successful. In addition to our Life of Mine offtake with CNNC⁵, a leading Chinese nuclear utility and one of the largest consumers of uranium in the world, we have secured offtake agreements with five leading counterparties in the United States and Europe. These organisations have a combined market capitalisation of over US\$200 billion and represent the leading offtake parties in the global uranium industry. The strong demand for our product has been driven by a combination of the known quality of the LHM production and the due diligence that the counterparties conducted on our ability to bring the LHM back into production.

Our contracts have secured approximately 48% of our production estimate from CY2024 to CY2030⁶. Importantly only 19% of the volume over that period is exposed to base-escalated price mechanisms, ensuring we retain our exposure to strengthening uranium pricing fundamentals.

We will continue to layer our contract book to ensure we provide the right balance of risk protection and pricing upside to our shareholders.

¹WNA, May 2023

²TradeTech Uranium Market Study, 2Q 2023. Based on Western world demand

³TradeTech Uranium Market Study, 2Q 2023, FAM2

⁴UxC Uranium Market Outlook 2Q 2023

⁵CNNC Overseas Limited

⁶Based on Langer Heinrich Uranium Life of Mine production to CY2030, as detailed in the ASX Announcement "Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update" dated 4 November 2021. All material assumptions underpinning the production target continue to apply and have not materially changed. Contract coverage and pricing mechanism calculations are based on nominal contract volumes of executed offtake agreements. Assumes CNNC takes 25% of production post 2025 (Life of Mine offtake). Base-escalated contracts include a contract with a fixed price mechanism incorporating a specified escalation rate. Subject to customary conditions precedent contained in offtake agreements, including the requirement to receive Namibian Government and other regulatory approvals

SUSTAINABILITY AND PALADIN

Paladin is committed to the core principle of delivering value through sustainable development. At Paladin, we are guided by four key values that are at the core of everything we do:



Integrity: We act with integrity and honesty in all we do and say



Respect: We respect and value all people equally



Courage: We meet all challenges and seize opportunities with courage



Community: We invest in our communities to create lasting value

Our values are supported by the Board, management and employees at all levels throughout Paladin, and are central to relationships between all employees and stakeholders. These values and their aligning value statements, define who we are as a Company and provide the foundation of our culture.

As Paladin moves towards production, the structured implementation of Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI) and Task Force on Climate-related Financial Disclosures (TCFD) frameworks will increase the level of detail reported over time, and will provide a more complete representation of Paladin's performance to all key stakeholders.

Paladin is pleased to provide further details of our Sustainability Commitment on pages 32 to 38 and we look forward to releasing our annual Sustainability Report in October 2023.

OUR PEOPLE

We put the health, safety and wellbeing of our workforce and all stakeholders at the forefront, with a positive culture of safety that underpins all our decisions and actions. Importantly, during the year we recorded no lost-time injuries.

Our strategic recruitment processes ensure that our organisation has the expertise to successfully execute the Company's strategy. We have bolstered our management team by the addition of Paul Hemburrow as Chief Operating Officer. In Namibia, we have expanded our in-country management team with the technical and leadership skills required to bring the LHM back into production, ensure its ongoing safe operation and continued positive engagement with local communities and the Government.

I would like to take this opportunity to thank all of our staff and contractors for your tireless and safe work over FY2023.

OUTLOOK

Our core strategic focus is to execute at the LHM and return Paladin to being a globally significant uranium producer. With a strong project team on the ground in Namibia delivering on our robust and low risk project pathway, we expect the LHM will be producing uranium again in the first quarter of CY2024. I look forward to updating you over the course of the upcoming year on our progress.

I would like to thank our Board of Directors for their ongoing commitment and support. I would also like to thank our employees, contractors and consultants for their dedication, professionalism and efficiency throughout the year.

Finally, I would like to express my gratitude to you, our shareholders, for demonstrating your continued support for our Company. The advanced execution of the Langer Heinrich Mine Restart Project, a robust outlook for uranium markets and the knowledge that we actively contribute to the decarbonisation of global electricity generation positions us strongly to achieve future success.

Yours faithfully

Ian Purdy
Chief Executive Officer



Operating and Financial Review

OVERVIEW OF OPERATIONS

Paladin Energy Ltd (ASX:PDN OTCQX:PALAF) is an Australian listed uranium company focused on returning the Langer Heinrich Mine (LHM) to commercial production in the first quarter of CY2024.

The LHM is a globally significant, long life operation, having already produced over 43Mlb U³O⁸ over ten years prior to operations being suspended in 2018 due to low uranium prices. The mine's future-facing focus includes a robust Environmental, Social and Governance framework in place to support its contribution to decarbonisation.

Beyond the LHM, the Company also owns a large global portfolio of uranium exploration and development assets. Nuclear power remains a leading sustainable source of low-carbon global electricity generation.

The Company is incorporated under the laws of Australia with a primary share market listing on the Australian Securities Exchange (ASX) and the Namibian Stock Exchange (NSX). The Company also trades on the OTCQX market in the United States of America.

HIGHLIGHTS

Health and Safety

- Paladin had no lost-time injuries or reportable environmental incidents during FY2023
- Over 850,000 lost time injury free project manhours had been executed at the end of FY2023
- The LHM has adopted an upgraded Health, Safety and Environment framework with additional systems and processes as part of the Restart Project ramp up.

Operational Performance

- On 19 July 2022, Paladin announced the decision to return the LHM to production, with first volumes targeted for the first quarter of CY2024
- Mr Paul Hemburrow was appointed as Paladin's Chief Operating Officer and commenced in February 2023
- Paladin's owner team, alongside EPCM partner, ADP, continue to progress and execute activities focused on returning the LHM to production
- Restart project activities are focused on general Repairs and Refurbishment to return the existing process plant to operational readiness, coupled with the delivery of Growth Projects such as process upgrades to increase throughput capacity and operational availability
- The project is well advanced and remains on track and on budget (US\$118M)
- All permits and licenses for the project remain in good standing
- Necessary power and water contracts have been secured
- The contractor workforce is fully ramped up to the anticipated peak with over 1,000 personnel on site, many from local communities
- Critical construction materials, plant and equipment have been delivered to site and Growth Project steel fabrication activities are progressing
- Mobilisation of the Project Commissioning Manager and commissioning team, and onboarding of the General Manager, Langer Heinrich Operations – Mining and the Process Manager have been completed
- An independent operational readiness gap assessment has been completed, confirming the LHM is well placed for operations
- Recruitment strategies for the operational workforce and initial engagements with potential mining contractors have commenced.

Exploration

- During the year, the Company undertook the work required to meet minimum tenement commitments at its exploration projects in Canada and Australia, and rehabilitation monitoring continued across all locations without incident
- The Michelin Joint Venture owns the Michelin advanced exploration project in Labrador, Canada. Under the terms of the Michelin Joint Venture Agreement, a mandatory transfer of 5% from Michelin Nominees Ltd to Aurora Energy Ltd (a wholly owned subsidiary of the Company) was completed, increasing Aurora's interest from 70% to 75%
- Paladin will retain its 75% interest in the Michelin Joint Venture, having completed the process required under the Michelin Joint Venture Agreement to use best efforts to sell the entirety of the joint venture on commercially acceptable terms
- The FY2024 summer field exploration program at Michelin will commence shortly, with detailed geological and structural mapping of the entire tenement to be undertaken. Ground electrical geophysics activity planning and refurbishment of the camp due to increased exploration activities will also be initiated.

Uranium Marketing Activities

- Paladin has secured cornerstone offtakes with foundation customers and has six offtake contracts executed with top tier counterparties in the US, Europe and China. The contract book for CY2024 is now closed. These contracts range in type and duration and provide base-escalated, fixed-price and market related price mechanisms. Along with the market-related contract in place with CNNC, Paladin will retain significant upside exposure to the strengthening uranium market fundamentals
- The Company is continuing to engage with top-tier industry counterparties, via RFP processes and off market discussions
- The Company's marketing team continues to progress commercial negotiations with conversion facilities and shipping providers ahead of the Company's return to production.

Corporate

- Dr Jon Hronsky OAM and Mrs Lesley Adams were appointed as independent non-executive directors of the Company during FY2023
- The Group had cash and cash equivalents at 30 June 2023 of US\$126.6M (excluding restricted cash of US\$1M).

FINANCIAL PERFORMANCE

Key financial performance metric	Year ended 30 June			
	2023	2022	% Change	
Earnings				
Average selling price	US\$/lb	-	47.00	(100)
U ₃ O ₈ sold	lb	-	100,000	(100)
Revenue	US\$'000	-	4,700	(100)
Cost of sales	US\$'000	-	(4,693)	(100)
Net loss after tax from continuing operations	US\$'000	(27,058)	(43,939)	(38)
Cash Flows				
Cash flows from operating activities	US\$'000	(9,375)	(6,794)	38
Capital expenditure	US\$'000	(39,599)	(3,427)	1,056
Free cash flows	US\$'000	(48,974)	(10,221)	379
Financial Position				
Unrestricted cash and cash equivalents	US\$'000	126,636	177,066	(28)
Debt (principal amount + accrued interest)	US\$'000	-	-	-
Net debt	US\$'000	-	-	-
Total equity	US\$'000	335,084	358,412	(7)
Gearing ratio (Net debt / (net debt + equity))	%	-	-	-

Earnings

Net loss after tax from continuing operations decreased by 38%, mainly reflecting reduced depreciation costs of US\$2,738,000 (2022: US\$15,106,000) arising from a change in the basis for depreciating the LHM Plant as a result of the decision to return the LHM to production. In addition, there was a small foreign exchange gain of US\$584,000 (2022: foreign exchange loss US\$8,179,000) which is predominantly due to the foreign exchange translation of the environmental rehabilitation provision in Namibia. The Namibian dollar depreciated by 16% against the USD during the year, from US\$1:N\$16.1471 at 30 June 2022 to US\$1:N\$18.7246 at 30 June 2023.

Cash Flows

The Group had unrestricted cash and cash equivalents at 30 June 2023 of US\$126.6M. Unrestricted cash and cash equivalents decreased by US\$50.4M during the year comprising of the following cash flows:

- Proceeds from sale of investments – receipts from sale of 393,363 shares in Global Atomic Corporation (TSX:GLO) of US\$805,000
- Proceeds from sale of Paladin (Africa) Ltd – receipt of the fourth and final tranche of repayment of funds advanced to provide security for the US\$10,000,000 environmental performance bond from Lotus Resources Ltd of US\$3,000,000

- Shareholder loans advanced – advance from CNNC to Langer Heinrich Uranium (Pty) Ltd of US\$85,000
- Langer Heinrich Restart Project costs – project expenditure of US\$35,955,000
- Langer Heinrich expenditure – expenditure for care and maintenance at Langer Heinrich Mine of US\$7,358,000
- Corporate expenditure – corporate expenditure of US\$6,272,000
- Exploration expenditure – minimum tenement commitments at its exploration projects of US\$1,910,000
- Property, plant and equipment – payments for property, plant and equipment of US\$734,000
- Effect of movement in exchange rates on cash held – an adverse movement of US\$5,346,000 arose predominantly on the Australian dollar holdings.



Financial Position

Unrestricted Group cash and cash equivalents decreased by 28% to US\$126,636,000. At 30 June 2023 Paladin holds no corporate debt. The Company's gearing ratio was Nil% from 30 June 2022 to 30 June 2023.

Key Business Risks

This section describes the key business risks of Paladin:

- Uranium prices

The price of, and demand for, uranium remains sensitive to a number of external economic and political factors beyond Paladin's control, including (among others): global uranium supply and demand trends, political developments in uranium producing and nuclear power generating countries/regions, unanticipated destabilising events (such as Fukushima Daiichi nuclear accident in 2011 and the recent war in Ukraine), currency exchange rates, general economic conditions and other factors. As a result, the Company cannot provide an assurance as to the prices it will achieve for its uranium product in the future.

Nuclear energy is in direct competition with other more conventional sources of energy, including gas, coal and hydroelectricity and is the subject of negative public opinion due to political, technological and environmental factors. This may have a negative impact on the demand for, and the price of, uranium.

For example, the Fukushima Daiichi nuclear accident in 2011 negatively affected the uranium market, principally by reducing demand and impacting the spot and term prices for uranium. More recently, the Russian shelling of the Zaporizhzhia nuclear power plant in Ukraine has created further significant volatility in the uranium price. There is the potential for events to occur in the future that negatively impact the attractiveness of nuclear energy and therefore the demand for, and the price of, uranium.

Factors beyond the control of the Company may affect the marketability of uranium discovered. The uranium mining industry is competitive and there is no assurance that, even if significant quantities of uranium are discovered or extracted, a profitable market will exist for the sale of the uranium produced. In particular, there can be no assurance that uranium prices will be such that Paladin's properties can be mined at a profit.

Derivative instruments to manage and mitigate uranium price movements are not available in the market at this time. In any event, Paladin has no current exposure to uranium price movements except insofar as it relates to the restart of production at the Langer Heinrich Mine (LHM).

- Restarting operations

Paladin is moving towards the restart of the LHM in Q1 CY2024.

The Company faces customary risks relating to the restart of mining operations which could delay the recommencement of operations at the LHM or adversely affect the Company's recoverability of uranium from this mine. These include, without limitation, delays in renewals and approvals of requisite regulatory permits that are required to commence operations for mining, securing the required funding in connection with the work required to restart mining operations, recruitment of the necessary personnel, initiation of contracts for logistical suppliers and equipment and any inclement weather conditions. The recommencement of operations of the LHM may require working capital expenditure, experienced personnel, regulatory renewals and accessory works approvals.

If operations at the LHM are successfully commenced, Paladin's ability to achieve production, development, operating cost and capital expenditure estimates on a timely basis cannot be assured.

Further, the Company does not expect to have any material revenues from its mining assets until after the recommencement of production of the LHM. Accordingly, Paladin is subject to all of the risks inherent in companies that have business that may not have cash flow or earnings. This may make it difficult for current and prospective investors to assess the likely future performance of the Company's mining assets.

- Cost estimates

Whilst care has been taken in estimating the capital cost and future operating costs for Paladin's projects, including contingency, the actual cost to restart operations at the LHM, constructing facilities and operating mines or process plants may vary from current estimates. Any such variations could adversely affect Paladin's future financial position and performance.

Capital resources may be required to be used in ways not previously anticipated or disclosed. The results and effectiveness of the application of capital resources are uncertain. If they are not applied effectively, Paladin's financial and/or operational performance may be adversely affected.

- Security of tenure

All tenements in which Paladin has interests are subject to renewal conditions or are yet to be granted, which will be at the discretion of the relevant Ministries in Namibia, Canada and the various states and territories in Australia where Paladin has projects. The maintenance of tenements, obtaining renewals, or getting tenements granted often depends on Paladin being successful in obtaining required statutory approvals for proposed activities. Paladin may lose title to, or interests in, its tenements if the conditions to which those tenements are subject are not satisfied or if insufficient funds are available to meet expenditure commitments.

In the jurisdictions in which Paladin operates, both the conduct of operations and the steps involved in acquiring interests will involve compliance with numerous procedures and formalities. It is not always possible to comply with, or obtain waivers from, all such requirements and it is not always clear whether requirements have been properly completed, or that it is possible or practical to obtain evidence of compliance. In particular, tenements are subject to expenditure and work commitments which must be complied with in order to keep the tenements in good standing. In certain circumstances, these commitments may be varied at the discretion of the relevant mining authority. Failure to meet these commitments could lead to forfeiture of the tenement. Where tenement expenditures and work commitments or other regulatory requirements are not complied with, regulatory exemptions may need to be applied for within specified periods. Should exemptions not be applied for in time, or are applied for in time but are not ultimately granted, fines may be payable to avoid the tenements being forfeited or, in extreme cases, the tenements may be forfeited.

While Paladin anticipates that subsequent renewals or mineral tenure grants will be given as and when sought, there is no assurance that such renewals or grants will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.

- Mineral Resources and Ore Reserves

The Mineral Resources and Ore Reserves for Paladin's assets are estimates only and no assurance can be given that any particular recovery level will in fact be realised. Paladin's estimates are prepared in accordance with either the reporting standard JORC 2004 or the reporting standard JORC 2012 but they are expressions of judgment from qualified professionals based on knowledge, experience, industry practice and resource modelling. As such, Mineral Resource and Ore Reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment or revision.

Adjustments and revisions to Mineral Resources and/or Ore Reserves could in turn affect Paladin's development and mining plans, including the ability to sustain or increase levels of production in the longer term.

Often Mineral Resource and Ore Reserve estimates are appropriate when made, but may change significantly over time as new information becomes available. Should Paladin encounter mineralisation or geological formations different from those predicted by past drilling, sampling and interpretations, estimates may need to be adjusted in a way that could adversely affect Paladin's operations and may have an impact on development and mining plans. There is also a risk that exploration targets will not be met and Mineral Resources cannot be converted into Ore Reserves.

Due to the uncertainty which may attach to inferred Mineral Resources, there is no assurance that inferred Mineral Resources will be upgraded to measured or indicated Mineral Resources or proven or probable Ore Reserves as a result of continued exploration.

- Speculative nature of mineral exploration and development

Development of Paladin's mineral exploration properties is contingent upon obtaining satisfactory exploration results. Mineral exploration and development involves substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate. The degree of risk increases substantially when a company's properties are in the exploration phase as opposed to the development, construction and operational phase. There is no assurance that commercial quantities of ore will be discovered on any of Paladin's exploration properties. There is also no assurance that, even if commercial quantities of ore are discovered, a mineral property will be brought into commercial production. The discovery of mineral deposits is dependent upon a number of factors including the technical skill of the exploration personnel involved.

The commercial viability of a mineral deposit, once discovered, is also dependent upon a number of factors, some of which are the particular attributes of the deposit such as size, grade, metallurgy and proximity to infrastructure, metal prices and government regulations, including the availability of required authorisations, permits and licences and regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection.

Successful development is also subject to a number of operational and other risks, including unexpected geological formations, conditions involved in the drilling and removal of material (which could result in damage and/or destruction to plant and equipment, loss of life or property, environmental damage and possible legal liability), obtaining governmental and stakeholder approvals, changes in Ore Reserves, commodity prices, exchange rates, construction costs, design requirements, delays in construction and expansion plans.

In addition, assuming discovery of a commercial ore body, several years can elapse (depending on the type of mining operation contemplated) from the initial phase of drilling until commercial operations are commenced.

Most of these factors are beyond the control of Paladin. In the event that the Company's exploration activities prove unsuccessful as a result of one or more of the above factors, Paladin may experience a diminution in the value of its projects, a reduction in its cash reserves and possible relinquishment of part or all of its projects.

- Political risks and government actions

The Company's activities are subject to extensive laws and regulations controlling not only the mining of and exploration for mineral properties, but also the possible effects of such activities upon the environment and upon interests of native and/or indigenous peoples. Permits from a variety of regulatory authorities are required for many aspects of mine operation and reclamation. Future legislation and regulations could cause additional expense, capital expenditures, restrictions and delays in the development of the Company's properties, the extent of which cannot be predicted. In particular, uranium extraction and processing has become the subject of increased environmental scrutiny and future legislation and government policy may impose additional obligations and costs on the Company in this regard.

Possible sovereign risks associated with Paladin's business and operations include, without limitation, changes in the terms of mining and tenure legislation (and its interpretation), changes in foreign ownership requirements, changes to royalty arrangements, changes to taxation rates and concessions, currency and other monetary controls, high inflation, expropriation and changes in the ability to enforce legal rights. Changes in community attitudes on matters such as environment and land rights issues may also bring about reviews and changes in government policy, which in turn could result in delays in operational activity and increases in capital or operating costs.

In the context of environmental permitting, including the approval of reclamation plans, the Company must comply with known standards, existing laws and regulations which may entail greater costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the permitting authority. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

The Company's ability to exploit Mineral Resources and its other activities are also subject to obtaining necessary authorisation, permits and licences from relevant authorities. Such authorisations, permits and licences may not be granted in a timely manner or at all, or may be granted on conditions which impose significant additional cost on the Company and/or other participants in its joint ventures or which causes Paladin and/or such other participants in its joint ventures to become unwilling to proceed with the relevant development or operations.

While it is possible that costs and delays associated with compliance with such laws, regulations and permits could become such that the Company will not proceed with the development or operation of a mine, the Company is not aware of any material environmental constraint affecting its proposed mining activities or exploration properties that would preclude the economic development or operation of any specific mine or property except as otherwise described in this Annual Report.

The Company's projects may be subject to the effect of political changes, war and civil conflict, terrorist attacks, changes in government policy, lack of law enforcement, labour unrest and the creation of new laws. These changes (which may include new or modified taxes or other government levies as well as other legislation) may impact on the profitability and viability of its properties.

- Foreign jurisdictions

The Company's future operations are exposed to political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties vary from country to country and include, but are not limited to, currency exchange rates; high rates of inflation; labour unrest; renegotiation or nullification of existing concessions, licenses, permits and contracts; changes in taxation policies; restrictions on foreign exchange; changing political conditions; terrorism, war and other hostilities; and currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or otherwise benefit residents of that country or region.

Changes, if any, in mining or investment policies or shifts in political attitude in any of the countries in which it operates may adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, black economic empowerment or similar policies, employment, contractor selection and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements.

The occurrence of these various factors adds uncertainties which cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

- Namibian regulatory matters

The LHM is located in Namibia, where mining is subject to specific regulation. There are also various regulations in place in this jurisdiction that relate to the exploration, development, production, exports, taxes, royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances and other matters. The cost of compliance with such laws and regulations will ultimately increase the cost of exploring, drilling, developing, constructing, operating and closing mines and other production facilities.

There is a risk that government approvals may not be granted, may be significantly delayed or may make the LHM uneconomic.

- Exchange rates

The Company incurs expenditure in Australian, Canadian and Namibian dollars, whereas funds on hand are typically held in Australian or US dollars. As a result, the Company is subject to foreign currency fluctuations which may materially affect its financial position and operating results. The Company may consider hedging or derivative instruments to manage foreign exchange rate movements.

- Funding risk

Exploration and development of the various mineral properties in which Paladin holds interests depends upon Paladin's ability to obtain funding through operational cash flows, joint ventures, debt financing, equity financing or other means.

In addition, the Company is required in the ordinary course of operations and development to provide financial assurances (including insurances and performance bond or bank guarantee instruments) to secure statutory and environmental performance undertakings and commercial arrangements. The Company's ability to provide such assurances is subject to the willingness of financial institutions and other third party providers of such assurances to issue such assurances for the Company's account.

Volatile uranium markets, or the factors affecting financial institutions and other third parties' assessments of the Company and its prospects, may make it difficult or impossible for the Company to obtain facilities for the issuance of such financial assurances or of other debt financing or equity financing on favourable terms or at all. Failure to obtain such facilities or financing on a timely basis may cause the Company to postpone its development plans, forfeit rights in some or all of its properties or joint ventures or reduce or terminate some or all of its operations, which may have a material adverse effect on the Company's financial position and performance.

- Revenue and cash flow risks

The Company cannot provide assurance of its ability to operate its projects profitably. While Paladin intends to generate working capital through operating its uranium mines, there is no assurance that the Company will be capable of producing positive cash flow on a consistent basis or that any such funds will be available for exploration and development programs.

Future operating results depend to a large extent on management's ability to successfully manage growth. This necessarily requires rapid expansion and consolidation of all aspects of the business operations, such as the development of mining operations, revenue forecasting, an effective Mineral Resources marketing strategy, addressing new markets, controlling expenses, implementing infrastructure and systems and managing its assets and contractors. The inability to control the costs and organisational impacts of business growth, an unpredicted decline in the growth rate of revenues without a corresponding and timely reduction in expenses or a failure to manage other issues arising from growth can have a material adverse effect on the Company's operating results.

- Future growth opportunities

The Company's business involves the acquisition and disposal of business ventures or interests in business ventures from time to time. There is a risk that Paladin may be unable to identify and/or execute suitable growth opportunities, and a failure to do so could have an adverse impact on the value of Paladin.

Further, business acquisitions entail a number of inherent risks, including (without limitation) the effective integration of the relevant asset or business (including the realisation of synergies), significant one-time write-offs or restructuring charges and unanticipated costs and liabilities. Any such acquisitions potentially expose Paladin to the risks commonly associated with undertaking such activities, including a failure to identify material adverse issues as part of due diligence, a failure to take sufficient mitigating action in respect of identified material issues, or underestimating the materiality of such issues. The Company may also become liable for the past acts, omissions or liabilities of companies or businesses or properties it has acquired or disposed of, which may be unforeseen or greater than anticipated.

- Joint ventures, agreements and other strategic partnerships may not be successful

The Company participates in several joint venture and shareholder arrangements and it may enter into similar arrangements in the future.

Although the Company has sought to protect its interests, existing and future joint ventures and agreements necessarily involve special risks.

Whether or not Paladin holds majority interests or maintains operational control in its joint ventures and agreements, its partners may:

- have economic or business interests or goals that are inconsistent with, or opposed to, those of the Company;
- exercise veto rights to block actions that the Company believes are in its or the joint venture's or agreement's best interests;
- take action contrary to the Company's policies or objectives with respect to its investments; or
- be unable or unwilling to fulfil their obligations under the joint venture or other agreements, such as contributing capital to expansion or maintenance projects.

Accordingly, the financial performance of Paladin will be exposed to any failure by participants of a joint venture to agree on a plan or any plan to develop a jointly owned asset, a refusal or inability of any joint owner of an asset to contribute its share of funding of the cost of development of a jointly owned asset, and to a risk of legal or other disputes with participants in any joint venture to which the Company is or may become a party.

Where projects and operations are controlled and managed by entities other than the Company, the Company may provide expertise and advice but it has limited control with respect to compliance with its standards and objectives. Improper management or ineffective policies, procedures or controls could adversely affect the value of related non managed projects and operations and, by association, damage the Company's reputation thereby harming the Company's other operations and access to new assets.

- Incorporated joint venture

The Company is a party to a shareholders agreement (Shareholders' Agreement) with CNNC Overseas Limited (CNNC), a subsidiary of China National Nuclear Corporation, in respect to the operations of Langer Heinrich Mauritius Holdings Limited (LHMHL), the ultimate owner of the LHM.

The Company holds a 75% interest in LHMHL whilst CNNC holds a 25% interest in that company. Under the Shareholders' Agreement, there are a number of "Fundamental Matters" which must be approved by a majority of directors of which at least one must be a CNNC nominee (for so long as CNNC holds at least a 14% interest), in effect giving the CNNC nominee a veto right over such matters.

The list of Fundamental Matters includes, but is not limited to, the approval of a mine expansion (and entering into financing arrangements to fund a mining expansion), any acquisition or disposal of LHMHL's assets for a market value greater than \$5 million, LHMHL entering into agreements with one of its shareholders (including shareholder loans), the issue of shares or convertibles, and amendments to the constituent documents of LHMHL. There can be no certainty or assurance that CNNC will approve any Fundamental Matter which it is required to consider, and it is possible that the failure to obtain such approvals could have an adverse impact on the viability of the Company's interest in LHMHL as well as the success and profitability of the joint venture arrangement.

The joint venture arrangements with CNNC are also subject to other risks normally associated with the conduct of an incorporated joint venture of this nature. These risks include, but are not limited to, the Company's inability to exert influence over certain strategic decisions (especially if they constitute Fundamental Matters); disagreement between the Company and CNNC over how to operate the LHM or any future variation or expansion of the LHM; the ability to fund LHMHL; the inability of shareholders to meet their obligations; and deadlocks or litigation between shareholders in relation to joint venture matters. Disputes between the joint venture partners have the potential to have a material adverse effect on the Company's financial performance and/or prospects.

- CNNC Offtake Agreement

Langer Heinrich Uranium (Pty) Ltd, the wholly owned subsidiary of LHMHL and the entity that holds the LHM, has entered into an offtake agreement with CNNC. Under that offtake agreement, CNNC is entitled to a pro-rata share of production from the LHM at a small discount to spot market prices for the life of the LHM. Recovery of product delivered under that offtake agreement may be difficult in the event of non-payment. Paladin is exposed to these risks through its 75% interest in LHMHL.

- Production risks

Commissioning of restart activities prior to the commencement of production at the LHM may not proceed to plan, with potential for delay in the timing of targeted production and/or a failure to achieve the level of targeted production.

These potential delays or difficulties may necessitate additional funding for the Company and its related bodies. In addition to potential delays, there is a risk that capital and/or operating costs will be higher than expected or that there will be other unexpected changes in variables upon which expansion and commissioning decisions were made, such as the fall in the price of uranium which contributed to the Company's decision to place the LHM on care & maintenance. These potential scope changes and/or cost overruns may also lead to reductions in revenues and profits and/or additional funding requirements.

The Company's activities may be affected by numerous other factors beyond the Company's control. Mechanical failure of the Company's operating plant and equipment and general unanticipated operational and technical activities may adversely affect the Company's operations. Operating risks beyond the Company's control may expose it to uninsured liabilities.

The business of mining, exploration and development is subject to a variety of risks and hazards such as cave-ins and other accidents, flooding, environmental hazards, the discharge of toxic chemicals and other hazards and the use of contractors including contract miners. Such occurrences may delay production, increase production costs or result in damage to and destruction of, mineral properties or production facilities, personal injury, environmental damage and legal liability. The Company has insurance to protect itself against certain risks of mining and processing within ranges of coverage consistent with industry practice. However, the Company may become subject to liability for hazards that it cannot insure against or that it may elect not to insure against because of high premium costs or other reasons. The occurrence of an event that is not fully covered, or covered at all, by insurance, could have a material adverse effect on its financial condition and results of operations.

The Company has in the past undertaken, and is currently undertaking, a number of cost management and optimisation initiatives, but it cannot be assured that these will be delivered fully or in the timeframes intended, or that the extent of the savings delivered will be as anticipated.

- Processing operations

Paladin's operations will be subject to the operating risks associated with processing uranium, including performance of processing facilities against design specification and the related risks associated with storage and transportation of raw materials, products and residues. The hazards associated with Paladin's mining and processing operations and the related storage and transportation of products and residues include, but are not limited to:

- Pipeline and storage tank leaks and ruptures
- Explosions and fires
- Mechanical failures
- Chemical spills and other discharges or releases of toxic or hazardous substances or gases and
- Residue storage and tailings dam failures

These hazards may cause personal injury and loss of life, damage to property and contamination of the environment, which may result in suspension of operations and the imposition of civil or criminal penalties, including fines, expenses for remediation and claims brought by governmental entities or third parties, as well as damage to the Company's reputation. Although Paladin has detailed and closely managed plans to mitigate these risks and maintains property and casualty insurance of types and in the amounts that it believes is customary for its industry, Paladin is not fully insured against all potential hazards incidental to its businesses.

- Availability of key inputs including water

Infrastructure in most of Africa for utilities such as electricity and water supply is under strain and underdeveloped. Paladin depends on the reliable and continuous delivery of sufficient power and water supply to its projects. A serious failure of basic infrastructure or occurrences of power outages across the country could adversely affect production at the Company's operations in Africa.

Uranium mining activity is resource intensive and, as a result, the Company's costs and net earnings may be adversely affected by the availability or cost of energy, water, fuel or other key inputs. If the prices of key inputs rise significantly more than expected, or if the Company experiences interruptions in, or constraints on, its supply of key inputs, the Company's costs could increase and its results could be adversely affected.

- Offtake risk

The operations and revenues of Paladin are dependent on the counterparties to existing and future offtake agreements performing their obligations. If counterparties do not take their obligated quantities of product or seek to renegotiate the price or quantity of product, Paladin's revenue could be adversely affected. The risk of non-performance or attempted

renegotiations of terms by offtake customers is enhanced by the prevailing demand and pricing sensitivities currently impacting the global market for uranium products. If Paladin is not able to achieve the required product specification to satisfy customer offtake agreements, there is no guarantee Paladin will be able to sell its product. There is no certainty that Paladin will be able to continuously meet product specifications particularly on account of the inherent risks associated with the extraction and processing of uranium.

- Supply chain and counterparty risk

The LHM operates within a complex supply chain. The Company depends on suppliers of raw materials, services, equipment and infrastructure to ensure its mine and process plant can operate and on providers of logistics to ensure products are delivered. Failure of significant components of this supply chain due to strategic factors such as business failure or serious operational factors, could have an adverse effect on the Company's business and results of operations.

The Company relies on various key customer and supplier relationships and on contractors to conduct aspects of its operations including mining operations. As such, the Company is exposed to risks related to their activities.

Although contracted services will be supervised by Paladin's employees, such arrangements with contractors carry with them risks associated with the possibility that the contractors may (among other things):

- have economic or other interests or goals that are inconsistent with Paladin
- take actions contrary to Paladin's instructions or requests or
- be unable or unwilling to fulfil their obligations

There can be no assurance Paladin will not experience problems with respect to its contractors and service providers in the future or that it will be able to find replacement contractors on acceptable terms in the event that contractors do not perform as Paladin expects and this may materially and adversely affect its business, results of operations, financial condition and prospects. Financial failure or default by any of the contractors or service providers used by Paladin in any of its activities may impact on operating and/or financial performance.

A loss or deterioration in any of these key customer and supplier relationships or a failure by customers, contractors or other counterparties to perform and manage their obligations to an acceptable standard and in accordance with key contracts could have a material adverse effect on Paladin's operations, financial condition and prospects. This is beyond the Company's control.

An interruption in raw material, electricity, gas or water supply, a deterioration in the quality of raw materials or inputs supplied or an increase in the price of those raw materials or inputs could also adversely impact the quality, efficiency or cost of production.

Any or all of these events could have an adverse impact on the Company's operations, its financial condition and financial performance and are beyond the Company's control.

- Logistics

Paladin depends on the availability and affordability of reliable transportation facilities, infrastructure and certain suppliers to deliver its products to market. A lack of these could impact Paladin's production and development of projects.

Logistical risk relates to long supply lines and lack of engineering and other support facilities close to the Company's operating sites. In Africa, the shipment of uranium concentrate for export could be subject to disruptions through shipment licensing delays, political disputes and natural disasters.

- Reliance on key personnel

Retaining qualified personnel is critical to the Company's success. The Company may face risks from the loss of key personnel as it may be difficult to secure and retain candidates with appropriate experience and expertise. One or more of the Company's key employees could leave their employment and this may adversely affect the Company's ability to conduct its business and, accordingly, affect the profitability, financial position and performance and prospects of the Company.

The Company's success also depends on its ability to identify, attract, accommodate, motivate and retain additional suitably qualified personnel. The number of persons skilled in the acquisition, exploration, development and operation of mining properties is limited and competition for such persons is high. If Paladin's business activity grows, it will require additional personnel to meet its growing needs. If Paladin is unable to access and retain the services of a sufficient number of qualified personnel, this could be disruptive to Paladin's development and may materially adversely affect its profitability, financial position and performance and prospects.

- Environmental

Uranium exploration and mine development is an environmentally hazardous activity which may give rise to substantial costs for environmental rehabilitation, damage control and losses.

The Company's operations may use hazardous materials and produce hazardous waste, which may have an adverse impact on the environment or cause exposure to hazardous materials. Despite efforts to

conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, Paladin may be subject to claims for toxic torts, natural resources damages and other damages. In addition, Paladin may be subject to the investigation and clean-up of contaminated soil, surface water and groundwater. This may delay the timetable of the projects and may subject Paladin to substantial penalties including fines, damages, clean-up costs or other penalties.

With increasingly heightened government and public sensitivity to environmental sustainability, environmental regulation is becoming more stringent. Paladin could be subject to increasing environmental responsibility and liability, including laws and regulations dealing with discharges of materials into the environment, plant and wildlife protection, the reclamation and restoration of certain of its properties, the storage, treatment and disposal of wastes and other issues.

Paladin operates in various markets, some of which face greater inherent risks relating to security, enforcement of obligations, fraud, bribery and corruption. Paladin has a comprehensive Anti-Bribery and Corruption Policy, and honours the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Sanctions for non-compliance with these laws and regulations may include administrative, civil and criminal penalties, revocation of permits, reputational issues, increased licence conditions and corrective action orders. These laws sometimes apply retroactively. In addition, a party can be liable for environmental damage without regard to that party's negligence or fault. Increased costs associated with regulatory compliance and/or with litigation could have a material and adverse effect on Paladin's financial performance. Mining operations are subject to hazards normally encountered in exploration, development and production. These include weather, natural disasters and other force majeure events; unexpected maintenance or technical problems; unexpected geological formations; rock falls, flooding, dam wall failure and other incidents or conditions which could result in damage to plant or equipment or the environment and which could impact production throughput; increases in labour costs, industrial action and other factors. Although it is intended to take adequate precautions to minimise risk, there is a possibility of a material adverse impact on the Company's operations and its financial results should any of these hazards be encountered.

- Climate change

Increased regulation of greenhouse gas emissions could adversely affect the Group's cost of operations. Mining of Mineral Resources including uranium is relatively energy intensive and depends on fossil fuels. Regulatory change by governments in response to greenhouse gas emissions may represent an increased cost to Paladin's profitability. Increasing regulation of greenhouse gas emissions, including the progressive introduction of carbon emissions trading mechanisms and tighter emission reduction targets or the introduction of a carbon tax in any jurisdiction in which the Company operates is likely to raise energy costs and costs of production.

- Health and safety

It is Paladin's intention to conduct its activities to the highest standards of occupational health and safety. Paladin has systems in place for the management of risks, however uranium exploration and mining is inherently a high risk environment with little margin for error. In addition, where Paladin has an interest located in a developing country, embedding systems for managing occupational health and safety risks, and maintaining and ensuring compliance with these systems may present challenges for Paladin. Interests in countries where HIV/AIDS, ebola, malaria, COVID-19 and other diseases may represent a threat to maintaining a skilled workforce in Paladin's projects.

There can be no assurance that such infections will not affect project staff, and there is the risk that operations and production could be affected in the event of such a safety threat. If there is a failure to comply with necessary occupational health and safety requirements, this could result in safety claims, fines, penalties and compensation for damages against Paladin, as well as reputational damage.

- Corporate culture and business conduct

Corporate culture can greatly influence individual and group behaviours. The behaviours that could expose Paladin to conduct risk include, but are not limited to:

- delays in appropriately escalating regulatory and compliance issues;
- failure to resolve issues in a timely manner; and
- failure to deliver on product and service commitments.

If Paladin's conduct and ethics related controls, frameworks and practices were to fail significantly, be set inappropriately, or not meet legal, regulatory, or community expectations, then Paladin may be exposed to reputational damage through fines, regulatory intervention or investigation, temporary or permanent loss of licenses, litigation and/or permanent loss of business.

- Community acceptance and reputation

The ongoing support of the local communities in which Paladin operates and the appropriate management of local community expectations is important to the successful operation of Paladin's projects and assets. Paladin's failure to effectively maintain and develop its relationships with local communities and stakeholders could result in those stakeholders being dissatisfied with Paladin and result in adverse outcomes for Paladin and its operations.

- Tax and royalty risks

Any change to the current rate of Company income tax or mineral royalties in jurisdictions where the company operates will impact on the profitability and performance of Paladin.

The Company is subject to complex tax laws. Paladin and its related bodies have incurred tax losses in Namibia, including during the period of care and maintenance. The Company considers that at this stage the recognised tax losses are able to be carried forward, however there is no guarantee that these tax losses will be available for utilisation under the Namibian tax legislation.

Changes in tax laws could adversely affect the Company's tax position, including the effective tax rate or tax payments. The Company often relies on generally available interpretations of applicable tax laws and regulations. There cannot be certainty that the relevant tax authorities are in agreement with the Company's interpretation of these laws. If the Company's tax positions are challenged by relevant tax authorities, the imposition of additional taxes could require the Company to pay taxes that it currently does not collect or pay, or increase the costs of the Company's services to track and collect such taxes, which could have a negative effect on the Company's business, financial condition and results of operations. The occurrence of any of the foregoing tax risks could have a material adverse effect on the Company's business, financial condition and results of operations.

- Legal action

Paladin is subject to litigation risks. All industries, including the mining industry, are subject to legal claims, where claims may be with or without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which Paladin is or may become subject could have a material effect on its financial position, results of operations or Paladin's mining and project development operations.

- General legal matters

Future earnings, asset values and the relative attractiveness of the Company's shares may be affected by changes in law and government policy in the jurisdictions in which the Company operates, in particular changes to taxation laws (including stamp duty and goods and services tax).

- Market competition

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with large, better established mining companies with substantial capabilities and greater financial and technical resources, the Company may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable. Accordingly, there can be no assurance that the Company will acquire any interest in additional operations that would yield reserves or result in commercial mining operations.

- Labour and employment matters

While Paladin has good relations with its employees, these relations may be impacted by changes in the scheme of labour relations which may be introduced by the relevant country governmental authorities which regulate its operations. Adverse changes in such legislation may have a material adverse effect on the Paladin's business.

As the Company's business grows, it will require additional staff for operations as well as additional key financial, administrative, mining, marketing and public relations personnel. In addition, given the remote location of the properties, the lack of infrastructure in the nearby surrounding areas and the shortage of a readily available labour force in the mining industry, the Company may experience difficulties retaining the requisite skilled employees in Namibia. It is important for the Company's continued success that it attracts, develops, retains and engages the right employees. A limited supply of skilled workers could lead to an increase in labour costs or Paladin being unable to attract and retain the employees it needs. When new workers are hired, it may take a considerable period of training and time before they are equipped with the requisite skills to work effectively and safely on some of the inherently dangerous tasks associated with the uranium mining industry. Failure to retain without appropriate replacement or to attract employees with the right skills for Paladin's businesses could have a material adverse effect on the Company's business. While the Company believes that it will be successful in attracting and retaining qualified personnel and employees, there can be no assurance of such success.

- Australia's uranium policy

At the national level of Australian politics, both the Federal Coalition parties and the Federal Labor Party support the development of the uranium industry. However, the granting of licences to mine uranium is a decision made within the residual jurisdiction of each State government and the government of the Northern Territory (NT).

The attitude of the various State and Territory governments to uranium mining differ. For example, the State government of South Australia supports existing mines and the government of the NT is also generally supportive of existing mines and is receptive to new uranium projects. The State government of Queensland permits uranium exploration, but bans uranium mining, whilst the current State government of Western Australia currently has a no-development uranium mining policy. The Company's prospects of developing its Australian uranium interests depends upon the extent to which government policy is supportive of uranium exploration and development activities.

Through membership of industry bodies, such as the Minerals Council of Australia, the Company is involved in initiatives focused on facilitating government support. There can be no assurance that State or Territory governments that currently permit uranium mining will continue to do so, or that they will not be replaced in elections with governments that will reinstitute the moratorium on uranium mining in Australia, or that uranium mining will be allowed in States (such as Western Australia or Queensland) where uranium mining is currently not allowed. Any adverse change in State or Territory governmental policy may materially adversely affect the financial condition and results of operations of the Company and its related bodies.

- Native Title

In the context of interests of native and/or indigenous peoples in Australia, the Native Title Act 1993 (Cth) recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. The risks arising because of native title and aboriginal land rights may affect the Company's ability to gain access to prospective exploration areas to obtain production titles. Mining tenement applications and existing tenements may be affected by native title claims or procedures (which may preclude or delay the granting of exploration and mining tenements), with the possibility of considerable expenses and delays involved in negotiating and resolving issues or obtaining clearances. Compensatory obligations may be necessary in settling native title claims lodged over any of the tenements held or acquired by the Company. The level of impact of these matters will depend, in part, on the location and status of the Company's tenements.

- Aboriginal Title and consultation issues – Michelin Project

The Michelin Project is located within the traditional territory of the Inuit residing in Labrador, Canada. The area is governed by a modern day treaty which recognises the Inuit of Labrador's right to self-government through the Inuit Nunatsiavut Government. Five of the Company's deposits that comprise the Michelin Project fall within the Labrador Inuit Lands, use and access to which are governed by the Inuit Nunatsiavut Government.

Development of the Michelin Project requires the collaboration and support of the Inuit and potentially other aboriginal groups. There can be no assurance that title claims as well as related consultation issues will not arise on or with respect to the Company's properties, or with respect to access to the properties that comprise the Michelin Project. Failure to resolve such issues could result in delays to a potential project development.

- Access to land

The Company will experience delays and cost overruns if it is unable to access the land required for its operations. This may be as a result of weather, environmental restraints, native title, harvesting, landholder's activities or other factors.

The Company's exploration activities are also dependent upon the grant, or as the case may be, the maintenance or renewal of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintenance, renewal and granting of tenements often depends on the Company being successful in obtaining required statutory approvals. There is no assurance that the Company will be granted all the mining tenements for which it has applied or that licences, concessions, leases, permits or consents will be renewed as and when required or that new conditions will not be imposed in connection therewith. To the extent such approvals, consents or renewals are not obtained, the Company may be curtailed or prohibited from continuing with its exploration activities or proceeding with any future exploration or development.

- Subsidiaries

Paladin is a holding company with no significant assets other than cash and the shares of its wholly-owned and non-wholly-owned Subsidiaries. Accordingly, any limitation on the transfer of cash or other assets between the Company and its subsidiaries could restrict Paladin's ability to fund its operations efficiently and to meet its payment obligations. Any such limitations, or the perception that such limitations may exist now or in the future, could also have an adverse impact on Paladin's valuation and share price.

- Major shareholder risk

There is a risk that Paladin's substantial shareholders may seek to sell down their shareholdings in Paladin. A significant sale of shares, or a perception that a sell down may occur, could adversely affect the price of Paladin's shares.

- Certain directors are involved in other mining interests

Certain directors of Paladin may be involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnership or joint ventures which may be potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies.

- Estimates and assumptions are used in preparing consolidated financial statements

Preparation of the consolidated financial statements requires the Company to use estimates and assumptions. Accounting for estimates requires Paladin to use its judgement to determine the amount to be recorded on its financial statements in connection with these estimates.

The Company reviews the carrying value of its tangible and intangible assets periodically to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the amount of the impairment, if any. Changes in assumptions underlying the carrying value of certain assets, including assumptions relating to uranium prices, production costs, foreign exchange rates, discount rates, tax rates, the level of proved and probable reserves and measured, indicated and inferred Mineral Resources and market conditions, could result in impairment of such assets. No assurance can be given as to the absence of significant impairment charges in future periods, including as a result of further restructuring activities or changes in assumptions underlying carrying values as a result of adverse market conditions in the industry in which Paladin operates.

The Company's estimates and assumptions used in the value of its rehabilitation provisions represents the discounted value of the present obligation to rehabilitate its mines and to restore, dismantle and close its mines. The discounted value reflects a combination of the Company's assessment of the cost of performing the work required, the timing of the cash flows and the discount rate. A change in any, or a combination, of the three key assumptions (estimated cash flows, discount rates or inflation rates), used to determine the provision could have a material impact on the carrying value of the provision. On an ongoing basis, the Company re-evaluates its estimates and assumptions. However, the actual amounts could differ from those based on estimates and assumptions.

- General economic conditions

Economic conditions, both domestic and global, may affect the performance of the Company. Adverse changes in macroeconomic conditions, including global and country-by-country economic growth, the cost and general availability of credit, the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), general consumption and consumer spending, employment rates and industrial disruption, amongst others, are outside the control of the Company and may result in material adverse impacts on the Company's business and its operating results. Changes in global macroeconomic conditions may result in reduced global economic activity, and therefore reduced demand for electricity. This may have a negative impact on the demand for, and price of, uranium.

- Share market conditions

The Company is listed on the ASX, the Namibian Stock Exchange (NSX) and certain exchanges in Germany and the price of the Paladin's shares is subject to the numerous influences that may affect both the trends in the share market and the share prices of individual companies, including movements in international and local stock markets, changes in the outlook for commodities (and, more specifically, uranium prices), inflation, interest rates, general economic conditions, changes in government, fiscal, monetary and regulatory policies. In the future, these factors may cause Paladin's shares to trade below current prices and may affect the income and expenses of the Company.

- Risk of dilution

The Company may undertake offerings of securities in the future to raise capital as well undertaking as equity-funded acquisitions, which may also dilute the holdings of investors. The increase in the number of shares issued and the possibility of sales of such shares may have a depressive effect on the price of shares already on issue.

- Dividends

Paladin expects to retain all earnings and other cash resources in the short term for the future operation and development of its business. Payment of any future dividends will be at the discretion of Paladin's Board of Directors after taking into account many factors, including Paladin's operating results, financial condition and current and anticipated cash needs. Paladin has not historically paid dividends and the payment of dividends in the future is not guaranteed.

- Insurance

Paladin seeks to maintain a range of insurance covers for its business operations. However, Paladin's insurance will not cover every potential risk associated with its operations. The occurrence of a significant adverse event, the risks of which are not fully covered by insurance, could have a material adverse effect on Paladin's financial condition and financial performance.

Without limitation, the Company may become subject to liability for accidents, pollution and other hazards against which it cannot insure, or against which it may elect not to insure because of premium costs or for other reasons, or in amounts, which exceed policy limits.

Ore Reserves and Mineral Resources

PROJECT LOCATIONS AND RESOURCE OVERVIEW



Unless specifically noted, Mineral Resources were prepared and first disclosed under the JORC Code 2004. These estimates have not been updated since to comply with JORC Code (2012) on the basis that the information that the estimates are derived from have not materially changed since it was last reported.

NAMIBIA

Langer Heinrich

Langer Heinrich is located in central western Namibia, approximately 80km east of Swakopmund. Langer Heinrich is a surficial calcrete type uranium deposit containing a JORC Code (2012) compliant Mineral Resource of 140Mt containing 128.1Mlb U_3O_8 at a grade of 415ppm U_3O_8 and 41.5Mlb V_2O_5 at grade of 135ppm V_2O_5 at a cut-off of grade of 200ppm U_3O_8 with a cut-off grade of 250ppm U_3O_8 applied to stockpiles.

The deposit is situated in the 15km long paleo drainage system located within the Gawib River valley between the Langer Heinrich and Schifferberg Mountains.

Langer Heinrich Mine Ore Reserves are estimated at 84.8Mt at a grade of 448ppm U_3O_8 containing 83.8Mlb U_3O_8 .

The Langer Heinrich Mine transitioned to care and maintenance in August 2018, and the decision to return the Langer Heinrich Mine to production was announced in July 2022. The project is well advanced and remains on track and on budget for first production in the first quarter of CY2024. Paladin owns a 75% interest in Langer Heinrich.

CANADA

Michelin Project

Paladin, through its wholly owned subsidiary Aurora Energy Ltd (Aurora), holds rights to 52,250 hectares of mineral claims within the Central Mineral Belt of Labrador (CMB), Canada, approximately 140km north of Happy Valley-Goose Bay and 40km southwest of the community of Postville.

Paladin currently holds a 75% interest (which increased from 70% in May 2023) in a special purpose joint venture (the Michelin Joint Venture) which owns the Michelin Project. The Michelin Joint Venture included a farm-out agreement over a five-year period whereby Paladin received an additional 5% participating interest in the Michelin Project on an annual basis until May 2023, in return for Paladin funding all obligations for the Michelin Project over this period. This farm-out is now completed.

The mineral claims cover a significant area of prospective ground over the CMB. The claims contain 105.6Mlb U_3O_8 Measured and Indicated Mineral Resources as well as an additional 22Mlb U_3O_8 Inferred Mineral Resource in six deposits. The largest of these deposits is Michelin which contains a total JORC Code (2012) compliant Mineral Resource of 92.0Mlb U_3O_8 , 82.2Mlb of which is classified Measured and Indicated. Michelin is still open along strike and at depth. Cut-off grades for all deposits except Jacques Lake reflect the use of open cut (200ppm) and underground

(500ppm) mining methodologies in the determination of prospects for eventual economic extraction. For Jacques Lake, there was insufficient Mineral Resources remaining after pit optimisation studies to warrant any portion being considered for underground mining.

As required under the terms of the Michelin Joint Venture Agreement, Paladin conducted a sales process for the Michelin Project using best efforts to sell the entirety of the joint venture on commercially acceptable terms. Subsequent to year end the sales process was completed with no offers received for the Michelin Project that were considered acceptable.

QUEENSLAND

Mount Isa Project

The Mount Isa Project, which is wholly owned by Paladin, is located 40km north of Mount Isa and consists of six Mineral Development Licences.

The Mount Isa Project includes 10 deposits containing 106.2Mlb U_3O_8 Measured and Indicated Mineral Resources as well as 42.2Mlb U_3O_8 Inferred Mineral Resources at a cut-off grade of 250ppm U_3O_8 for all deposits except Valhalla, which utilised a cut-off grade of 230ppm U_3O_8 .

WESTERN AUSTRALIA

Manyingee Project

Manyingee is located in the north-west of Western Australia, 1,100km north of Perth and 85km inland from the coastal township of Onslow. The property is comprised of three mining leases covering 1,307 hectares. Field trials by AFMEX demonstrated that the Manyingee sandstone-hosted uranium deposit is amenable to extraction by in-situ recovery (ISR) in 1985.

Manyingee contains an Indicated Mineral Resource of 15.7Mlb U_3O_8 grading 850ppm and an Inferred Mineral Resource of 10.2Mlb U_3O_8 grading 850ppm (JORC Code (2012) compliant) at a cut-off grade of 250ppm U_3O_8 .

Carley Bore

Carley Bore is located approximately 100km south of Manyingee in Western Australia. Carley Bore consists of two contiguous exploration licences with granted retention status.

The Carley Bore deposit contains JORC Code (2012) compliant Mineral Resources, 5.0Mlb U_3O_8 grading 420ppm in the Indicated category and 10.6Mlb U_3O_8 grading 280ppm in the Inferred category at a cut-off grade of 150ppm U_3O_8 . Potential exists for extensions to mineralisation north and south of the estimated Carley Bore Mineral Resource.

MINERAL RESOURCES AND ORE RESERVES SUMMARY

The following tables detail the Group's Mineral Resources and Ore Reserves and the changes that have occurred within FY2023. There were no material changes to the Group's Mineral Resources and Ore Reserves.

Uranium Mineral Resources	30 June 2022			30 June 2023			Change	
	Mt	Grade ppm U ₃ O ₈	Mlb U ₃ O ₈	Mt	Grade ppm U ₃ O ₈	Mlb U ₃ O ₈	Mt	Mlb U ₃ O ₈
NAMIBIA: Langer Heinrich^{1 2}								
Measured								
In-situ	79.1	450	78.6	79.1	450	78.6	-	-
MG ROM stockpiles	6.3	510	7.1	6.3	510	7.1	-	-
LG ROM stockpiles	20.2	325	14.5	20.2	325	14.5	-	-
Total Measured	105.6	430	100.2	105.6	430	100.2	-	-
Indicated								
In-situ	23.5	375	19.5	23.5	375	19.5	-	-
Inferred								
In-situ	11.0	345	8.4	11.0	345	8.4	-	-
TOTAL	140.1	415	128.1	140.1	415	128.1	-	-

Uranium Mineral Resources	30 June 2022			30 June 2023			Change	
	Mt	Grade ppm U ₃ O ₈	Mlb U ₃ O ₈	Mt	Grade ppm U ₃ O ₈	Mlb U ₃ O ₈	Mt	Mlb U ₃ O ₈
CANADA								
Measured								
Michelin ³	17.6	965	37.6	17.6	965	37.6	-	-
Rainbow	0.2	920	0.4	0.2	920	0.4	-	-
Indicated								
Gear	0.4	770	0.6	0.4	770	0.6	-	-
Inda	1.2	690	1.8	1.2	690	1.8	-	-
Jacques Lake ³	13.0	630	18.0	13.0	630	18.0	-	-
Michelin	20.6	980	44.6	20.6	980	44.6	-	-
Nash	0.7	830	1.2	0.7	830	1.2	-	-
Rainbow	0.8	860	1.4	0.8	860	1.4	-	-
Inferred								
Gear	0.3	920	0.6	0.3	920	0.6	-	-
Inda	3.3	670	4.8	3.3	670	4.8	-	-
Jacques Lake ³	3.6	550	4.4	3.6	550	4.4	-	-
Michelin ³	4.5	985	9.9	4.5	985	9.9	-	-
Nash	0.5	720	0.8	0.5	720	0.8	-	-
Rainbow	0.9	810	1.6	0.9	810	1.6	-	-
TOTAL Canada	67.7	860	127.7	67.7	860	127.7	-	-

Figures may not add due to rounding.

¹JORC Code (2012) compliant. Cut-off of grade of 200ppm U₃O₈ applied to in-situ, with a cut-off grade of 250ppm U₃O₈ applied to stockpiles.

²ASX Announcement "Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update" dated 4 November 2021

³JORC Code (2012) compliant

Uranium Mineral Resources		30 June 2022			30 June 2023			Change	
		Mt	Grade ppm U ₃ O ₈	Mlb U ₃ O ₈	Mt	Grade ppm U ₃ O ₈	Mlb U ₃ O ₈	Mt	Mlb U ₃ O ₈
AUSTRALIA									
Measured	Valhalla	16.0	820	28.9	16.0	820	28.9	-	-
Indicated	Andersons	1.4	1,450	4.6	1.4	1,450	4.6	-	-
	Bikini	5.8	495	6.3	5.8	495	6.3	-	-
	Duke Batman	0.5	1,370	1.6	0.5	1,370	1.6	-	-
	Odin	8.2	555	10.0	8.2	555	10.0	-	-
	Skal	14.3	640	20.2	14.3	640	20.2	-	-
	Valhalla	18.6	840	34.5	18.6	840	34.5	-	-
	Carley Bore ⁴	5.4	420	5.0	5.4	420	5.0	-	-
	Manyingee	8.4	850	15.7	8.4	850	15.7	-	-
Inferred	Andersons	0.1	1,640	0.4	0.1	1,640	0.4	-	-
	Bikini	6.7	490	7.3	6.7	490	7.3	-	-
	Duke Batman	0.3	1,100	0.7	0.3	1,100	0.7	-	-
	Honey Pot	2.6	700	4.0	2.6	700	4.0	-	-
	Mirrioola	2.0	560	2.5	2.0	560	2.5	-	-
	Odin	5.8	590	7.6	5.8	590	7.6	-	-
	Skal	1.4	520	1.6	1.4	520	1.6	-	-
	Valhalla	9.1	640	12.8	9.1	640	12.8	-	-
	Watta	5.6	400	5.0	5.6	400	5.0	-	-
	Warwai	0.4	360	0.3	0.4	360	0.3	-	-
	Carley Bore ⁴	17.4	280	10.6	17.4	280	10.6	-	-
	Manyingee ⁴	5.4	850	10.2	5.4	850	10.2	-	-
TOTAL Australia		135.4	635	189.8	135.4	635	189.8	-	-

Figures may not add due to rounding.

⁴JORC Code (2012) compliant

Vanadium Mineral Resources	30 June 2022			30 June 2023			Change	
	Mt	Grade ppm V ₂ O ₅	Mlb V ₂ O ₅	Mt	Grade ppm V ₃ O ₅	Mlb V ₂ O ₅	Mt	Mlb V ₂ O ₅
NAMIBIA: Langer Heinrich^{5 6}								
Measured								
In-situ	79.1	145	25.5	79.1	145	25.5	-	-
MG ROM stockpiles	6.3	165	2.3	6.3	165	2.3	-	-
LG ROM stockpiles	20.2	105	4.7	20.2	105	4.7	-	-
Total Measured	105.6	140	32.5	105.6	140	32.5	-	-
Indicated								
In-situ	23.5	120	6.3	23.5	120	6.3	-	-
Inferred								
In-situ	11.0	115	2.7	11.0	115	2.7	-	-
TOTAL Namibia	140.1	135	41.5	140.1	135	41.5	-	-

Uranium Ore Reserves	30 June 2022			30 June 2023			Change	
	Mt	Grade ppm U ₃ O ₈	Mlb U ₃ O ₈	Mt	Grade ppm U ₃ O ₈	Mlb U ₃ O ₈	Mt	Mlb U ₃ O ₈
NAMIBIA: Langer Heinrich^{5 6}								
Proved	48.3	488	52.0	48.3	488	52.0	-	-
Probable	10.0	464	10.2	10.0	464	10.2	-	-
Stockpiles	26.5	369	21.6	26.5	369	21.6	-	-
TOTAL Namibia	84.8	448	83.8	84.8	448	83.8	-	-

Figures may not add due to rounding. Ore Reserves reported at a 250ppm U₃O₈ cut-off grade. Mineral Resources and Ore Reserves quoted on a 100% basis. Mineral Resources are reported inclusive of Ore Reserves.

All the Group's Mineral Resources and Ore Reserves are internally peer reviewed at the time of estimation and are subject to ongoing review, as and when required. Should any Mineral Resources or Ore Reserves be utilised within a Bankable or Definitive Feasibility Study, it is expected that an audit by independent experts would be conducted.

The information in this Annual Report that relates to Mineral Resources is based on, and fairly represents, information and supporting documentation compiled by David Princep BSc, P.Geo FAusIMM (CP), a Competent Person who has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the reporting standard JORC 2012. Mr Princep is a full-time employee of Gill Lane Consulting Pty Ltd and consults to Paladin and is a current Fellow of the Australasian Institute of Mining and Metallurgy. Mr. Princep consents to the inclusion of this information in the form and context in which it appears.

The information in this Annual Report that relates to the Ore Reserves estimation for the Langer Heinrich Uranium Project is based on, and fairly represents, information and supporting documentation compiled by Mr David Varcoe, Principal Mining Engineer, for AMC Consultants Pty Ltd. Mr Varcoe is an employee of AMC Consultants Pty Ltd and is a Competent Person who is a current Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM No: 105971). Mr Varcoe has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the reporting standard JORC 2012. Mr Varcoe consents to the inclusion of this information in the form and context in which it appears.

⁵JORC Code (2012) compliant

⁶ASX Announcement "Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update" dated 4 November 2021



Environmental, Social and Governance

Paladin is wholly committed to a best practice, globally accredited Environmental, Social and Governance (ESG) framework that sets standards of organisational behaviour and holds us firmly accountable. At Paladin, ESG is core to our business, and we want to be held accountable for what we do – not just for what we say. When our performance is measured, we expect that outcomes clearly reflect our behaviours.

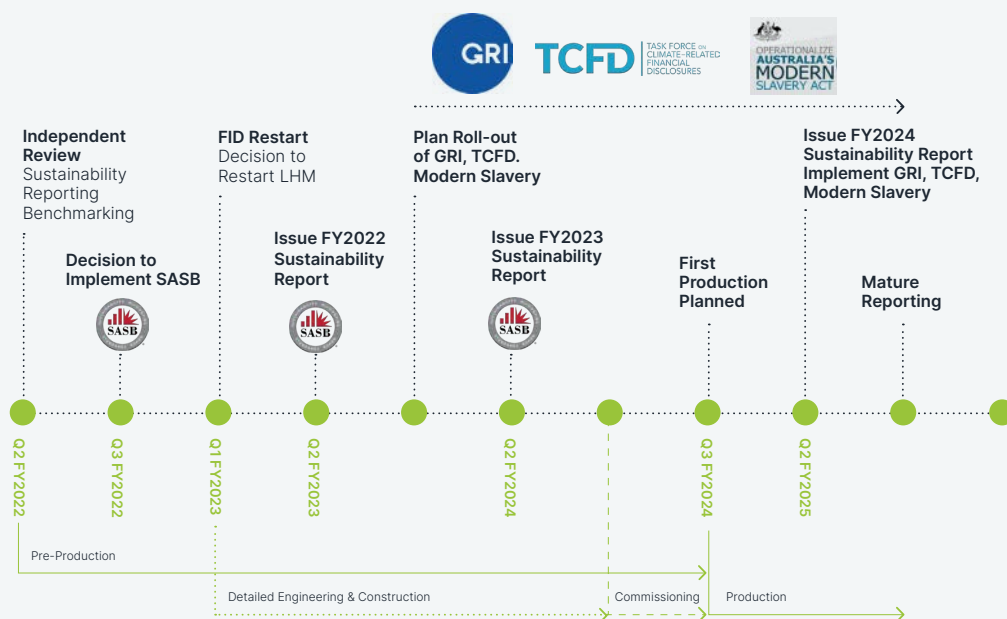
Paladin adopted the Sustainability Accounting Standards Board (SASB) framework for inclusion in the FY2022 Sustainability Report. Following the decision in July 2022 to return the Langer Heinrich Mine (LHM)

to production, the Board approved the future addition of the Global Reporting Initiative (GRI) standards and Task Force on Climate-related Disclosures (TCFD) framework for implementation as production commences at the LHM.

Paladin will comply with all reporting and requirements under the Modern Slavery Act (Cth) 2018, including the maintenance of responsible and transparent supply chains, when production recommences in CY2024.

A roadmap for Paladin's Sustainability Reporting is provided below:

Paladin Energy Sustainability Reporting Road Map



As Paladin moves towards production, the structured implementation of these three reporting frameworks (SASB, GRI and TCFD) will increase the level of detail reported over time, and will provide a more complete representation of Paladin's performance to all key stakeholders. The focus and audience of the frameworks are provided below:

Combining the complimentary SASB / GRI / TCFD frameworks provides a comprehensive integrated sustainability reporting framework



As part of the implementation of the SASB framework, the Paladin Executive and management team carried out a materiality assessment informed by inputs taken from Paladin's existing sustainability, ESG and Risk Management reporting frameworks, SASB sustainability standards for Metals & Mining and benchmarking against peer companies. The result was a list of material ESG topics and priorities relevant to Paladin during the pre-production phase at the LHM and the exploration phase for the Canadian and Australian asset portfolio, with additional topics and priorities that will become material when the LHM returns to production.

Material Topics & Priorities	Environmental	Social	Governance
Pre-production	Biodiversity Tailings Management Rehabilitation	Occupational Health and Safety Radiation Diversity Community and Stakeholder Relations	Corporate Governance Business Ethics and Transparency Risk Management Cyber Security Tax Transparency
Production	Air Quality Water Management Waste Management Energy Management Greenhouse Gas Emissions Land Disturbance	Nuclear Safeguards Product Safety and Transportation Labour Practices Employee Opportunities Relationships with Indigenous People	GRI TCFD Modern Slavery Reporting

ESG Highlights and FY2023 Performance



Over 850,000 Lost-Time Injury Free project manhours achieved



No environmental non-compliances or breaches



100% compliance with laws, regulations, licence and permit conditions



Strong local community commitment through jobs, education and procurement



Development of a detailed implementation plan for roll out of ESG frameworks

Our ESG Reporting Framework



SASB reporting to be included in FY2023 Sustainability Report



Extend SASB reporting to include GRI framework when the LHM returns to production in 2024



Commitment to TCFD principles to include and manage systemic financial risks associated with climate change



Further developing our Modern Slavery assessment, reporting and governance to address modern slavery risks across our global supply chain

ENVIRONMENT

We protect the environment and work to minimise our impacts on it, achieving continuous improvements in sustainability practices and committing to support emission reductions to achieve the goals of the 2021 United Nations Climate Change Conference (COP26) and the Glasgow Climate Pact.

Paladin recognises that excellence in environmental performance is essential to business success and to achieving our sustainable development objectives. Paladin is committed to ensuring our projects are delivered with a keen focus on sustainability and reducing our own Scope 1 and Scope 2 carbon emissions and environmental impact. Paladin aims to minimise its impact on the environment through:

- Effective environmental management across all aspects of its portfolio
- Preventing, minimising, mitigating and remediating any adverse impacts of its operations on the environment
- Achieving continuous improvement in environmental performance.

Paladin's environmental approach is managed through its Environmental Policy with a suite of underlying policies, and management, monitoring and mitigation plans. Our robust policies and guidelines focus primarily on water and land use management, rehabilitation, mineral waste and reducing greenhouse gas emissions. The LHM Environmental Policy and underlying policies are being reviewed and updated as the LHM returns to production.

The LHM produces a Bi-Annual Environmental Management Progress Report to comply with reporting requirements under the LHM Environmental Clearance Certificate (ECC) issued in August 2020 in compliance with the mining licence obligations, as well as the LHM Environmental Management Plan. The bi-annual report is a comprehensive report on environmental monitoring of air, water quality, energy, land-use, radiation, and biodiversity within the LHM mining licence areas as well as surrounding community support, as the LHM carries out activities within our framework of legal and regulatory requirements. This report is submitted to the Ministry of Environment, Tourism and Forestry, the Ministry of Mines and Energy and the Ministry of Agriculture, Water and Land Reform.

Paladin has met all applicable regulatory and other compliance obligations and holds all applicable permits and licences across the Company's global operations.

As Paladin moves towards the restart of production, the LHM is establishing a baseline of the historical carbon footprint and environmental impact by reviewing the water and fuel consumption and carbon emissions. This is being undertaken to allow the continuation of efforts to minimise the LHM footprint, and improve our operation's future performance. The Restart Project incorporates measures to reduce our environmental footprint and impacts, including upgraded tailings dewatering, increasing process water return and reducing water loss to tailings. Paladin is reviewing the LHM's historical consumption and emissions data and will set meaningful targets once the footprint has been confirmed in operations.

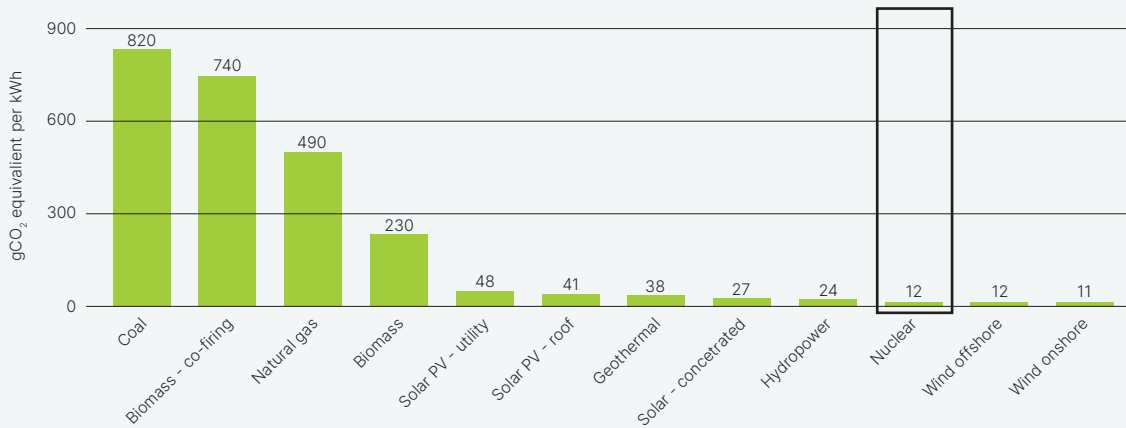
Uranium mining and processing are critical components of the nuclear fuel cycle as they provide the raw material for producing clean, sustainable base-load electricity. With growing global demand for electricity, and targets set for reduced CO₂ emissions, nuclear energy will continue to play a key role in the decarbonisation of global power generation.

Nuclear energy provided approximately half of the USA's carbon-free electricity in 2022, making it their largest domestic source of low carbon energy. Nuclear power plants do not emit greenhouse gases while

generating electricity, and every reduction in CO₂ emissions reduces the impacts of climate change and global warming. Importantly, uranium is a highly efficient fuel source.

Lifecycle greenhouse gas emissions (GHG) for different energy sources and technologies shows nuclear power to have one of the lowest GHG emissions intensity, comparable with solar and wind and up to 100 times lower than coal which averages ~1,000 grams CO₂ equivalent / kWh

Average life-cycle carbon dioxide-equivalent emissions



Source: IPCC - Average life-cycle carbon dioxide-equivalent emissions for different electricity generators

The uranium mined and processed at the LHM will be used to resource nuclear power plants, helping drive the global energy transition to a carbon-free, sustainable future. During peak production, the LHM will produce enough uranium fuel annually to fully supply over ten 1,000 MWe nuclear power plants. Over the life of the LHM, achieving this level of power generation through coal-fired electricity would generate an average of 58 million tonnes of carbon dioxide emissions per annum. This equates to a total of around 1.3 billion tonnes carbon dioxide emissions that would be generated by the equivalent coal-fired electricity, over the projected 17-year life of the LHM.

Paladin recognises the increasing global impacts of climate change, however the financial impact, and any other impacts, of climate change on our operations is currently expected to be minimal. Paladin is focused on our role in providing a low carbon fuel source to reduce CO₂ emissions as part of the world's energy transformation in order to achieve climate change goals.

SOCIAL

We value and respect all people – our workforce and stakeholders – putting their health, safety and wellbeing at the forefront of a positive culture. We embrace diversity, promote equal opportunities to thrive, and we engage actively with local communities, listening and contributing to their social prosperity and development with integrity.

The Company is fully committed to providing and maintaining a safe, secure and healthy work environment with the aim of zero harm from occupational injuries and illness in the workplace. Paladin fosters the safe behaviour of employees and contractors by establishing a mindset that all injuries are preventable. Throughout the year we continued to promote safety and responsibility to all our employees and contractors.

Excellence in radiation management performance is an essential part of Paladin's occupational health and safety commitment and Paladin drives a wide range of preventative monitoring measures to achieve occupational health, hygiene and safety. Radiation exposure controls are key aspects of occupational monitoring at the LHM.

Strict procedures are followed as part of our radiation protection measures, and calibrated equipment is used to monitor employees, contractors, visitors and specific work area exposure levels. The results are provided on an annual basis to the Namibian National Radiation Protection Authority for assessment, for which the LHM has received annual approval.

During FY2023, we once again recorded no lost-time injuries or reportable incidents and achieved more than 850,000 Lost Time Injury Free project hours. We continued to deliver operationally targeted safety interventions and training programs, which included risk mitigation assessment and measures, employee engagement sessions and sharing of industry best practice. Continuous improvement of our advanced safety processes was also a focus of our activity during the year.

Paladin is committed to workplace diversity and recognises the benefits of employee and board diversity arising from the recruitment, development and retention of a talented, diverse and motivated workforce. At Paladin we recognise that our people are crucial to our business. We strongly support them and encourage them to grow. We are committed to fostering a positive culture, promoting employee engagement and encouraging a diverse and inclusive workplace.

Paladin's employees are provided with growth opportunities, and the continued development of skills and expertise through structure and informal learning and training. The LHM also supports employee

study as an opportunity for career development. We provide local and regional employment opportunities wherever possible. We embrace our diverse mix of people, including different ages, cultural backgrounds, genders, education and experience levels, and actively foster the benefits from collaboration.

Our commitment to the community and social investment is embedded in our Company Values. At Paladin we are committed to our local communities and are focused on having a positive impact and making meaningful contributions to their lives and livelihoods. We achieve this through a range of initiatives, including local recruitment practices, establishing community development programs, and procuring from local industries to support growth and economic value to local regions. Stakeholder engagements with local and government authorities are key priorities, in addition to supporting local community causes.

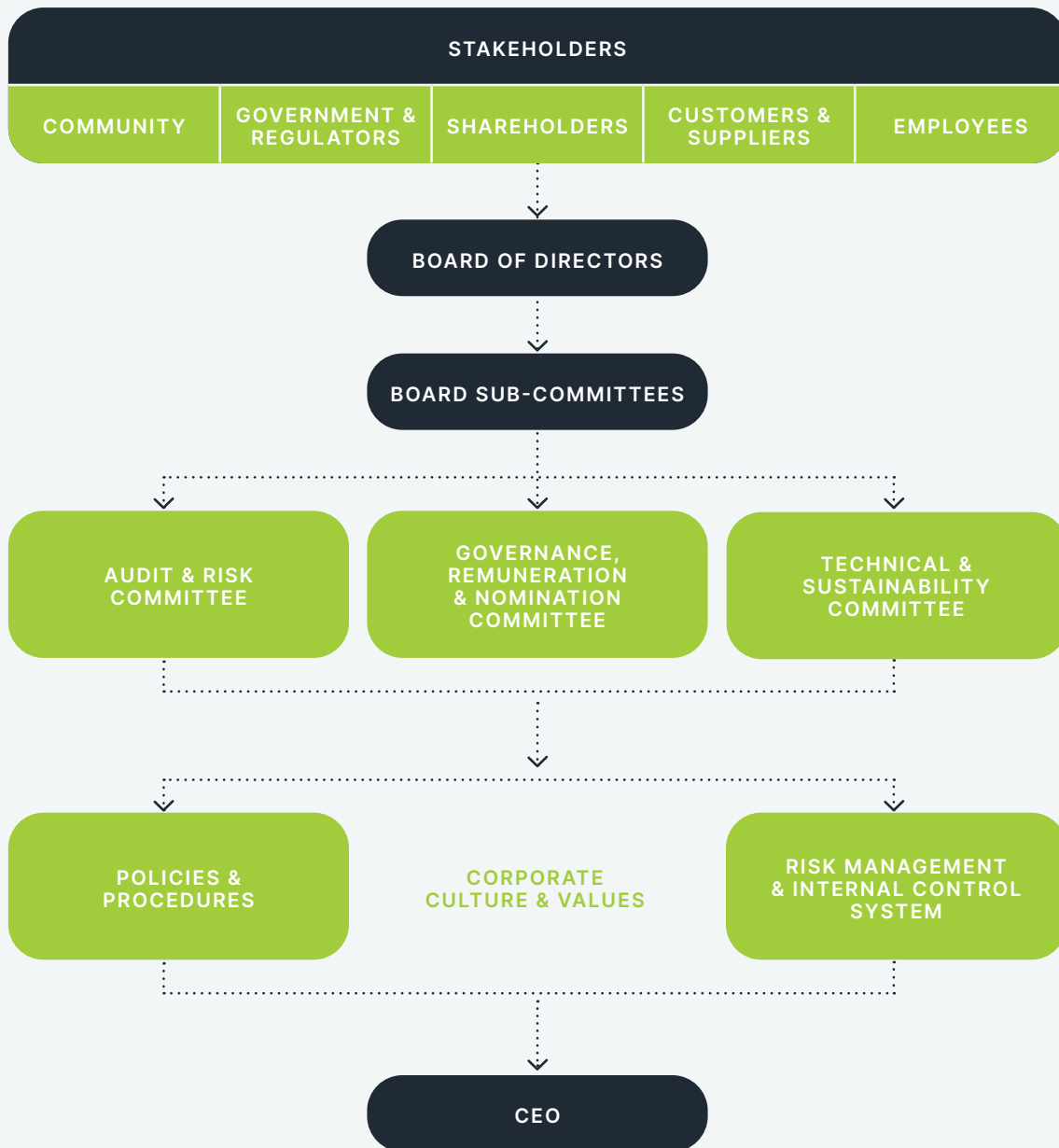
As the Langer Heinrich Restart Project continues to progress, and we move towards production in the first quarter of CY2024, Paladin continues to engage with the local community in Namibia to ensure we make a positive contribution to the community and we are recognised as a good corporate citizen committed to providing opportunities for the local community.

GOVERNANCE

We conduct our business and all operations adhering to the highest ethical standards and with absolute integrity. We are openly committed to full compliance with all applicable laws and regulations, and we take accountability seriously in being proactively transparent.

The Paladin Board of Directors has a clear understanding that it is responsible for Paladin's corporate governance. The Board recognises the importance of our corporate governance framework in establishing accountabilities, guiding and regulating activities, monitoring and managing risks and optimising Paladin's performance. Governance is a core function at the heart of the Company's sustainability efforts.

The Board also recognises the need to regularly review its system of corporate governance as best practice evolves. Our current Paladin corporate governance framework (Governance Framework) uses as a reference the Corporate Governance, Principles and Recommendations of the ASX Corporate Governance Council. The Governance Framework depicted in the diagram below includes policies and practices to ensure that we are not only compliant with good governance principles, but that we also meet stakeholder expectations.



Our corporate governance practices for the year ended 30 June 2023 are outlined in our 2023 Corporate Governance Statement.

At Paladin, one of our four core values is integrity. Our Code of Conduct guides how we uphold our value of integrity. The Code requires Paladin's officers, employees and Board to observe the highest standards of business and personal ethics while carrying out their duties and responsibilities. Paladin is committed to complying with all applicable laws and regulations in the countries where we operate, and we

conduct our business in line with the highest ethical standards and absolute integrity. Our framework of compliance with legislative requirements, government policies and our internal policies ensures that our standards are encompassed in all our business dealings and practices globally. Paladin exercises zero tolerance for corruption and bribery in any manner or situation in which it may arise. An Anti-Bribery and Corruption Policy provides practical advice on ethical business conduct, and in addition, the Company's Whistleblower Policy and procedure facilitates disclosure of any alleged corruption.

Paladin recognises that the identification and effective management of risk, including prudent, informed risk taking, is an essential part of Paladin's aim of creating long-term shareholder value. Paladin's Risk Management Policy aims to integrate risk management into Paladin's strategy and business and undertake activities in line with Paladin's Risk Appetite as defined by the Board. The Risk Management Policy is the overarching document that provides the foundation which supports the framework and processes for the integration of risk management into the Company's business activities.

The Board is responsible for satisfying itself that management has developed and implemented a sound system of risk management and internal control. The Audit & Risk Committee (ARC) is mandated to provide oversight of the Risk Management Framework. The ARC's role is to provide assurance to the Board that risk is being managed effectively across the Company. Management is responsible for designing, implementing, reviewing and providing assurance as to the effectiveness of the Risk Management Policy. Every employee of Paladin is responsible for managing risks on a day to day basis by adhering to Paladin's risk management policies and internal control systems.

Paladin has a cyber security framework which was benchmarked and subject to an independent Cyber Security Architecture Assessment during FY2022. A program of works is being undertaken to build further resilience and enhance the cyber security framework as the LHM moves towards the restart of production.

Cyber security risks are incorporated into Paladin's risk management framework and managed accordingly. Paladin has an established IT Policy which is being updated as Paladin moves towards the restart of production.

Paladin is committed to ensuring compliance with all tax laws that apply to our operations, and to managing all tax related matters in a transparent manner. As Paladin moves towards the restart of production, ensuring compliance with the tax laws and relevant legislation in the various jurisdictions remains a key commitment.

Paladin's Board recognises the risks posed by climate change, economic, environmental and social factors and is committed to being an active partner in addressing these risks. Paladin is committed to the core principle of delivering value through sustainable development and aims to promote sustainable business practices by integrating climate-related, economic, environmental and social risks and opportunities into our governance, strategy and risk management process.

Paladin is further developing our reporting and disclosures structure in alignment with the GRI and TCFD recommendations as the LHM moves to the restart of production. It is intended that future reporting in line with GRI and TCFD recommendations will help investors and other stakeholders understand how we integrate the external impact of the Company's activities, and the climate-related, economic, environmental and social risks and opportunities into our governance, strategy, and risk management process.

For the Restart Project Paladin has fully implemented and is compliant with the Ethical Procurement Policy of ADP, the LHM's EPCM contractor. The Ethical Procurement Policy is applied to all potential supplier and contractor recommendations by the project team, for Paladin's approval.

We will maintain responsible and transparent supply chains and require contracts we enter into for production pass through modern slavery qualifications, setting the standards for those who provide goods and/or services to the LHM.

Paladin condemns all forms of modern slavery. Paladin's commitment to actively engaging in ways to ensure that there is no forced labour or child labour within its supply chain operations is embedded in the Code of Conduct. Paladin is reviewing its policies in relation to human rights and modern slavery as part of the LHM restart, and we will comply with all reporting and other requirements under the Modern Slavery Act (Cth) 2018.



Corporate Governance Statement

GOVERNANCE FRAMEWORK

The Board of Directors of Paladin Energy Ltd recognises the importance of its corporate governance framework in establishing accountabilities, guiding and regulating activities, monitoring and managing risks and optimising Paladin's performance. Paladin, as a listed entity, must comply with the Corporations Act 2001 (Cth), Australian Securities Exchange Listing Rules (ASX LR) and other Australian and international laws.

Paladin reviews and amends its corporate governance policies as appropriate to reflect the growth of the Company, current legislation and best practice. Paladin's website www.paladinenergy.com.au includes copies or summaries of key corporate governance policy documents. The website also contains copies of all Board and Committee Charters.

Paladin's Corporate Governance Statement, dated 30 June 2023 and approved by the Board on 24 August 2023, outlines the key governance principles and practices of the Company which, taken as a whole, sets out the Company's governance framework. The Board believes that the governance policies and practices adopted by the Company during the reporting period ended 30 June 2023 follow the recommendations contained in the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations published in February 2019 (ASX Principles and Recommendations). Paladin's Corporate Governance Statement can be found in the Corporate Governance section of its website at www.paladinenergy.com.au, together with the ASX Appendix 4G, a checklist cross-referencing the ASX Principles and Recommendations to disclosures in this statement and the current Annual Financial Report. The Corporate Governance Statement, together with the Appendix 4G, has been lodged with the ASX.

Our Values

At Paladin, we are guided by four key values that are at the core of everything we do:



Integrity

We act with integrity and honesty in all we do and say



Respect

We respect and value all people equally



Courage

We meet all challenges and seize opportunities with courage



Community

We invest in our communities to create lasting value

Our values are supported by the Board, management and employees at all levels throughout Paladin, and are central to relationships between all employees and stakeholders. These values and their aligning value statements, define who we are as a Company and provide the foundation of our culture.

Directors' Report

The Directors of Paladin Energy Ltd present their report together with the financial report of the Group consisting of Paladin Energy Ltd (Company) and the entities (Group) it controlled at the end of, or during, the year ended 30 June 2023 and the auditor's report. There were two additional appointments to the Board of Directors during the financial year.

DIRECTORS

The following persons were independent non-executive directors of Paladin Energy Ltd and were in office for the financial year:

Mr Cliff Lawrenson BCom (Hons)
(Non-Executive Chair)

Mr Cliff Lawrenson is an experienced non-executive director having served on or chaired public and private companies for over 15 years after a successful career in executive leadership, including in investment banking. Mr Lawrenson holds postgraduate qualifications in commerce and finance, and has worked extensively in the resources and energy sectors across the world. He has a successful track record of leading strategic direction in companies and executing complex corporate transactions.

Current Directorships: Non-Executive Chair of Australian Vanadium Limited (ASX:AVL) and Caspin Resources Limited¹ (ASX:CPN) and Non-Executive Chair of privately owned Pacific Energy Limited.

Former listed company Directorships (last three years): Atlas Iron Limited and Canyon Resources Limited.

Mr Peter Watson BEng (Hons), FIEAust, GAICD, RPEQ
(Non-Executive Director)

Mr Peter Watson is a chemical engineer with more than 35 years' experience in the global resources sector across senior technical, project, and management roles as well as corporate experience in running ASX listed companies. His experience includes project development, project delivery, asset optimisation and mining facilities operations across multiple commodities and global jurisdictions, including Africa.

Mr Watson has held technical and senior executive roles with a number of companies, culminating in his appointment as the Managing Director and CEO of Sedgman Limited. Mr Watson has also held a number of senior and directorship roles at Strandline Resources Ltd, New Century Resources, Resource Generation and EvacGroup (private), bringing significant board level experience at both the public and wholly owned company level, particularly on matters covering project development and delivery, operations re-start, safety, governance, financial reporting, risk management, strategy and leadership.

Special Responsibilities:

- Chairman of Project Steering Committee
- Chair of Technical & Sustainability Committee
- Member of Audit & Risk Committee

Current listed company Directorships: Non-Executive Director of Strandline Resources Ltd (ASX:STA) and Australian Vanadium Limited (ASX:AVL)

Former listed company Directorships (last three years): Evacuation Services Australia Pty Ltd and New Century Resources Limited.

¹As announced on the ASX Mr Lawrenson ceased to be a director of Caspin Resources Limited effective 14 August 2023

Mr Peter Main BBus
(Non-Executive Director)

Mr Peter Main is a mining and finance professional with extensive experience spanning more than 35 years. During that time, Mr Main has developed an extensive working knowledge in financial markets centred around the mining sector, developing a wealth of industry experience. During his career Mr Main spent 13 years in a variety of roles in the mining industry through to CEO in the later years of a TSX-V listed mining company. He spent more than 20 years in mining finance, more recently advising and managing the development of gold enterprises in the Northern Territory and Queensland.

Mr Main primarily worked for investment banks, including 11 years managing the Royal Bank of Canada's (RBC) Australian equity sales and trading business and co-managing RBC's regional business, and six years at Hartley Poynton as a mining analyst. Before that he spent nine years in full time service in the Australian Army.

Special Responsibilities:

- Member of Technical & Sustainability Committee
- Member of Governance, Remuneration & Nomination Committee

Current listed company Directorships: None

Former listed company Directorships (last three years):
Carbine Resources Limited

Ms Melissa Holzberger LL.M Resources Law (Distinction) (Scotland), Dip. International Nuclear Law (Hons) (France), LLB (Adel), BA (Adel), GDLP, FGIA, GAICD
(Non-Executive Director)

Ms Melissa Holzberger is a mining lawyer with over 20 years' of experience in the international energy and resources sectors, including the uranium industry. She is an experienced independent company director having served on ASX-listed, public, government and not-for-profit boards spanning a wide range of highly regulated sectors. She brings specialist uranium and nuclear law, risk, compliance, corporate ethics and corporate governance expertise, together with valuable experience in uranium mining operations and projects, international uranium trade, logistics, product stewardship and sustainability.

Ms Holzberger is a member of the Federal Government's Australian Radiation Protection and Nuclear Safety Agency's Radiation Health and Safety Advisory Council.

Special Responsibilities:

- Member of Audit & Risk Committee
- Member of Governance, Remuneration & Nomination Committee

Current listed company Directorships: Non-Executive Director of Andromeda Metals Ltd (ASX: ADN).

Former listed company Directorships (last three years):
Silex Systems Limited.

Ms Joanne Palmer FCA (ICAEW), FCA (CAANZ), GAICD, BSc (Hons Mathematics & Statistics)
(Non-Executive Director)

Ms Joanne Palmer, is a former Registered Company Auditor, and an existing Fellow of Chartered Accountants in Australia and in England and Wales. Ms Palmer brings over 26 years of industry experience in providing audit and assurance services on company listings, mergers, acquisitions and takeovers and significant experience in auditing international mining companies, particularly in Africa. Ms Palmer is a council member and treasurer of the Association of Mining & Exploration Companies (AMEC).

Ms Palmer has had an extensive financial services career including leading Ernst and Young's Financial Accounting Advisory Services team in Perth, working predominantly in the mining sector assisting both multinational companies, mid-caps and junior explorers with technical accounting, regulatory advice and finance function support services.

Special Responsibilities:

- Chair of Audit & Risk Committee
- Member of Governance, Remuneration & Nomination Committee

Current listed Directorships: Non-Executive Director of Sierra Rutile Holdings Limited (ASX:SRX).

Former listed company Directorships (last three years):
None

Dr Jon Hronsky OAM BAppSci, PhD (Appointed 20 March 2023)
(Non-Executive Director)

Dr Jon Hronsky has more than thirty-five years of experience in the global mineral exploration industry, primarily focused on project generation, technical innovation and exploration strategy development. He has worked across a diverse range of commodities and geographies. His targeting work led to the discovery of the West Musgrave nickel sulfide province in Western Australia. His experience includes leadership roles in both major mining and junior mining companies, and he has consulted globally for the last 16 years. In January 2019 he was awarded the Order of Australia Medal for services to the mining industry.

Dr Hronsky is one of the Principals at Western Mining Services, a global geological consultancy, a partner in Ibaera Capital, (a mining focused boutique PE fund) and also an Adjunct Professor at the Centre for Exploration Targeting at UWA. Jon was previously Manager-Strategy & Generative Services for BHP Billiton Mineral Exploration and was Global Geoscience Leader for WMC Resources Ltd.

Special Responsibilities:

- Member of Audit & Risk Committee
- Member of Technical & Sustainability Committee

Current Directorships: Non-Executive Director of Encounter Resources (ASX:ENR) and Caspin Resources Limited (ASX:CPN) and a Non-Executive Director of Plutonic Limited.

Former listed company Directorships (last three years): Cassini Resources and Azumah Resources.

Mrs Lesley Adams GAICD, CIPD (Appointed 22 May 2023)
(Non-Executive Director)

Mrs Lesley Adams has more than thirty years of experience within the global resources industry across multiple roles including Human Resources, Health & Safety, Joint Venture Management and Indigenous and Corporate Affairs. Mrs Adams' experience includes leadership roles in global technology, engineering services and major resource companies. Previously, Mrs Adams was Executive General Manager of Roy Hill where she was responsible for implementing and supporting structural change as the organisation transitioned to a sustainable operating environment.

Mrs Adams' other senior roles include Group Executive HR/Continuous Improvement at Beach Energy, Group Executive Corporate Services at Quadrant Energy and General Manager of Human Resources for Santos Limited. Mrs Adams is a Graduate of the Australian Institute of Company Directors.

Special Responsibilities:

- Chair of Governance, Remuneration & Nomination Committee
- Member of Technical & Sustainability Committee

Current listed company Directorships: None

Mr Ian Purdy BCom, FCA, FAICD
(Chief Executive Officer)

Mr Purdy is a highly respected executive with more than three decades' experience within Australian and international natural resources companies. In his time as a CEO and CFO of listed and private companies, Mr Purdy has delivered significant shareholder value through managing and optimising operations, delivering large projects and executing on business improvements and asset sales.

Mr Purdy was previously the CFO of Quadrant Energy, Managing Director and CEO of Mirabela Nickel Limited, Managing Director of Norilsk Nickel Australia, Director of Finance and Strategy of LionOre Australia, and has held senior finance and commercial roles at North Limited and WMC Limited.

COMPANY SECRETARY

Mr Jeremy Ryan LPAB GDLP
(appointed 27 August 2021)

Mr Ryan has extensive experience in corporate governance and was previously Company Secretary / Manager Legal for ASX listed gold miner Saracen Mineral Holdings Limited.

Mr Ryan was admitted to the Supreme Court of New South Wales in 1999 and to the Supreme Court of Western Australia in 2001. Prior to his in-house role with Saracen, he advised government departments and worked in the finance and projects team of a large international law firm. During his time in private practice Mr Ryan advised companies in the resources sector including on project development and operation. In addition to being appointed Company Secretary, Mr Ryan has also been engaged as Senior Legal Counsel for Paladin.

BOARD AND COMMITTEE MEETINGS

The number of Directors' meetings and meetings of committees held during the financial year, and the number of meetings attended by each Director in the period they held office were:*

Name	Board of Directors		Audit and Risk Committee		Technical & Sustainability Committee		Governance, Remuneration & Nomination Committee	
	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend
Mr Cliff Lawrenson	7	7	-	-	-	-	-	-
Mr Peter Watson	7	7	3	3	3	3	-	-
Mr Peter Main	7	7	-	-	3	3	2	2
Ms Melissa Holzberger	7	7	3	3	2	2	2	2
Ms Joanne Palmer	7	7	3	3	-	-	2	2
Dr Jon Hronsky	2	2	-	-	1	1	-	-
Ms Lesley Adams	1	1	-	-	1	1	1	1

*The Company reviewed its Committee composition following the appointment of Dr Jon Hronsky and Lesley Adams as non-exclusive directors to ensure alignment with skill set and the Company's strategic objectives. These changes became effective on 26 May 2023. The above table reflects the changes to the composition of the committees and attendance at the same.

PRINCIPAL ACTIVITY

The principal activity of the Group was the development and operation of the Langer Heinrich Mine in Namibia, together with exploration and evaluation activities in Australia and Canada.

REVIEW AND RESULTS OF OPERATIONS

A detailed operational and financial review of the Group is set out on pages 10 to 25 of this report under the section entitled Operating and Financial Review.

The Group's loss after tax from continuing operations for the year is US\$27,058,000 (2022: loss after tax US\$43,939,000) representing a decrease of 38% from the previous year.

DIVIDENDS

No dividend has been paid during the financial year and no dividend is recommended for the current year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Group during the financial year were as follows:

- On 19 July 2022 the Paladin Board announced it had made the decision to return the Langer Heinrich Mine (LHM) to production with first volumes targeted for the first quarter of CY2024. The restart scope of work focuses on general repairs and refurbishment required to return the existing process plant to operational readiness, coupled with the delivery of process upgrades to increase throughout capacity and operational availability. Total capital expenditure is expected to be US\$118M on a 100% project basis
- Paladin's 2022 Sustainability Report was published on 20 October 2022, confirming the Company's commitment to delivering value through sustainable development.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Other than disclosed below, since the end of the financial year, the Directors are not aware of any other matter or circumstance not otherwise dealt with in this report, that has significantly or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent periods with the exception of the following, the financial effects of which have not been provided for in the 30 June 2023 Financial Report:

- On 7 July 2023 Paladin announced that it will retain its 75% interest in the Michelin Joint Venture, having completed the process required under the Michelin Joint Venture Agreement to use best efforts to sell the entirety of the joint venture on commercially acceptable terms. The Michelin Joint Venture owns the Michelin advanced exploration project in Labrador, Canada.

LIKELY DEVELOPMENTS

Likely developments in the operations of the Group are set out under the section entitled Operating and Financial Review on pages 10 to 25.

ENVIRONMENTAL REGULATIONS

The Group is exposed to environmental risks as outlined under the section entitled Operating and Financial Review on pages 10 to 25. The Group is subject to environmental regulation in respect to its exploration, evaluation, development and operational activities for uranium projects under the laws of the countries in which its activities are conducted. The Group currently has a mining and processing operation in Namibia (transitioning from care and maintenance), as well as exploration projects in Australia and Canada. The Group monitors compliance with all applicable environmental laws and regulations in the countries in which it conducts business.

Specific environmental regulations, approvals and licences for the exploration, development and operation are required to conduct the activities at each site. In addition, many other international and industry standards are also applied to the Group's activities, including those specified for the global uranium industry. These environmental laws, regulations and standards relate to environmental factors such as radiation, water, flora, fauna, air quality, noise, waste management and pollution control.

The Directors are not aware of any environmental matters which would have a significant adverse effect on the Group.

DIRECTORS' INDEMNITIES

During the year Paladin has incurred premiums to insure the Directors and/or Officers for liabilities that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of Paladin and or its controlled entities. Under the terms and conditions of the insurance contract, the nature of liabilities insured against and the premium paid cannot be disclosed.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, Paladin has agreed to indemnify its auditors, PricewaterhouseCoopers, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). The Directors of Paladin Energy Limited have not provided PricewaterhouseCoopers with any indemnities. No payment has been made to indemnify PricewaterhouseCoopers during or since the financial year.

ROUNDING

The amounts contained in this report, the Financial Report and the Operating and Financial Review have been rounded to the nearest US\$1,000 (where rounding is applicable) under the option available to Paladin under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. Paladin is an entity to which the Instrument applies.

TOTAL PERFORMANCE RIGHTS

Issued unlisted employee Performance Rights (PRs) outstanding to employees of the Company are as follows:

Date granted	Exercisable date	Fair value	Exercise price	Number
7 September 2021 ¹	27 September 2023	A\$0.82	A\$0.00	2,045,000
3 November 2021 ²	1 July 2024	A\$0.705	A\$0.00	2,431,153
3 November 2021 ²	1 July 2024	A\$0.766	A\$0.00	2,431,152
1 July 2022 ¹	1 July 2024	A\$0.58	A\$0.00	225,000
28 September 2022 ¹	1 July 2024	A\$0.735	A\$0.00	900,000
28 September 2022 ²	31 December 2023	A\$0.735	A\$0.00	905,120
28 September 2022 ²	30 June 2025	A\$0.631	A\$0.00	1,829,548
28 September 2022 ²	30 June 2025	A\$0.629	A\$0.00	1,829,549
8 November 2022 ¹	1 July 2024	A\$0.825	A\$0.00	82,500
28 March 2023 ²	31 December 2023	A\$0.605	A\$0.00	203,401
28 March 2023 ²	30 June 2025	A\$0.484	A\$0.00	271,201
28 March 2023 ²	30 June 2025	A\$0.412	A\$0.00	271,201
28 March 2023 ¹	1 February 2025	A\$0.605	A\$0.00	500,000
Total				13,924,825

¹These PRs have been issued for nil cash consideration and no consideration is payable by the holder upon the vesting of a PR.

²A proportion of these PRs (3,231,410 PRs) are subject to retention based vesting as at 31 December 2023. The remaining PRs will vest subject to the Total Shareholder return (TSR) of the Company over the three-year performance period commencing on 1 July 2021, relative to the TSR performance of each constituent of respective peer groups. In benchmarking the TSR performance a weighting of 50% will apply to each of the peer groups.

During the year 1,295,000 Performance Rights were converted to 1,295,000 shares.

TOTAL SHARE APPRECIATION RIGHTS

The outstanding balance of Share Appreciation Rights at the date of this report is as follows:

Date granted	Exercisable date	Expiry date	Fair value	Exercise price	Number
20 October 2015	1 November 2018	1 November 2023	A\$0.13	A\$0.20	37,500
27 September 2016	1 November 2018	1 November 2023	A\$0.08	A\$0.20	28,000
27 September 2016	1 November 2019	1 November 2024	A\$0.08	A\$0.20	28,000
16 April 2018	16 April 2019	16 April 2024	A\$0.05	A\$0.15	32,500
16 April 2018	16 April 2020	16 April 2025	A\$0.07	A\$0.15	32,500
1 July 2019	1 July 2020	1 July 2025	A\$0.05	A\$0.1226	700,000
1 July 2019	1 July 2021	1 July 2026	A\$0.06	A\$0.1226	700,000
1 July 2019	1 July 2022	1 July 2027	A\$0.07	A\$0.1226	1,100,000
1 October 2019	1 October 2020	1 October 2025	A\$0.03	A\$0.12	80,000
1 October 2019	1 October 2021	1 October 2026	A\$0.04	A\$0.12	70,000
1 October 2019	1 October 2022	1 October 2027	A\$0.05	A\$0.12	70,000
Total					2,878,500

During the year 1,171,750 Share Appreciation Rights were converted to 1,072,445 shares.

AUDITOR

PricewaterhouseCoopers were appointed auditors for Paladin by shareholders at the 2016 Annual General Meeting on 18 November 2016.

NON-AUDIT SERVICES

During the year, non-audit and assurance services were provided by Paladin's auditor, PricewaterhouseCoopers. The Directors are satisfied that the provision of non-audit and assurance services is compatible with the general standard of independence for auditors imposed by the Corporations Act. The nature and scope of each type of non-audit and assurance service provided means that auditor independence was not compromised.

Details of amounts paid or payable to PricewaterhouseCoopers can be found in Note 26.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead Auditor's Independence Declaration is set out on page 68 of the Financial Report.

Dated this 25th day of August 2023.

Signed in accordance with a resolution of the Directors



Cliff Lawrenson

Chair

Perth, Western Australia



Remuneration Report

Message from the Chair of the Governance, Remuneration and Nomination Committee

Dear Shareholders,

On behalf of the Board, I am pleased to present the Paladin Remuneration Report for the 2023 financial year on behalf of the Governance, Remuneration and Nomination Committee.

Company Performance Overview

Building on the decision in July 2022 to resume operations at the Langer Heinrich Mine, Paladin has experienced an exceptional year during which we have successfully secured key offtake contracts and are efficiently executing the Langer Heinrich restart project on schedule and budget. As a result, production is on track to commence in Q1 CY2024.

These achievements are a testament to the dedication and expertise of our workforce, led by the Chief Executive Officer, Ian Purdy, and the Executive team. The unwavering commitment of our staff has played a pivotal role in positioning Paladin as a leading global uranium production company.

Independent Remuneration Review

The Board is committed to ensuring our remuneration framework is focused on driving a performance culture that closely aligns with the achievement of our strategic and business objectives, and shareholder experience over short- and long-term time frames.

The Company engaged Korn Ferry in May 2023 to complete an independent remuneration benchmarking and design review of the remuneration framework for non-executive directors and Executive KMP.

The comprehensive review encompassed:

- Market benchmarking of non-executive director fees; and
- Market benchmarking of total annual remuneration for Executive KMP, including incentive schemes.

Remuneration Framework FY2024

Retention of highly skilled executives and staff is of paramount importance for the Board. As Paladin transitions to a production company in CY2024, we recognise the need to review and enhance our remuneration approach. With the aim of aligning with market practice and acknowledging the increasing scale and complexity of the Company, we considered the advice provided by Korn Ferry, and the Board approved the following changes effective from 1 July 2023:

1. **Target Market Position:** Adoption of a target remuneration market position between P50 and P75 of a peer group of comparable ASX-listed and general mining organisations
2. **Fixed Remuneration:** An increase in fixed remuneration (exclusive of superannuation) for Executive KMP
3. **Short-Term Incentive Plan (STIP):** Implementation of a STIP for Executive KMP to incentivise performance aligned with the delivery of Paladin's strategic objectives
4. **Long-Term Incentive Plan (LTIP):** The LTIP opportunity will be reduced, reflecting the introduction of the STIP, and a partial performance gateway introduced
5. **Non-executive director fees:** Introduction of fees for chairing sub-committees and sub-committee membership, set between P50 and P75 of the peer market and an increase to the Chair's fees which are all encompassing and reflective of the peer group benchmarking.

Moving forward, the Board remains committed to monitoring the effectiveness and appropriateness of our remuneration framework. Our remuneration policy will continue to focus on linking pay to performance while ensuring alignment with the interests and experience of our shareholders. Further details of the changes effective for FY2024 are outlined on page 60.

The Board is confident the changes to the remuneration framework effectively establish a strong alignment between performance, reward, and long-term value creation for shareholders, and ensure Paladin is positioned competitively to achieve our strategic objectives as we enter the next phase of growth.

On behalf of the Board, I invite you to review the FY2023 Remuneration Report, which explains the connections between our strategy, performance, and Executive KMP remuneration as we move towards the commencement of operations at the Langer Heinrich Mine.

We value our shareholders' support and welcome your feedback as we strive to enhance the transparency and clarity of our report for the benefit of our shareholders. Thank you for your continued support of Paladin. We look forward to our ongoing engagement with you and sharing in the Company's future success.



Lesley Adams

Chair, Governance, Remuneration and Nomination Committee

REMUNERATION REPORT (AUDITED)

The Directors present the FY2023 Remuneration Report, outlining key aspects of our remuneration policy and framework, and remuneration awarded this year.

The report is structured as follows:

- Remuneration Governance
- Introduction and FY2023 Key Management Personnel (KMP)
- Remuneration Framework
- Remuneration Framework FY2024
- Linking long term performance and shareholder value
- Reconciliation of performance based remuneration
- Remuneration expenses for Executive Key Management Personnel (KMP)
- Non-Executive Director remuneration
- Additional statutory information.

REMUNERATION GOVERNANCE

Paladin is committed to fostering a culture of innovation, growth, and sustainable development. Central to this is attracting, motivating, and retaining highly skilled Executives and staff.

To effectively address remuneration matters, the Governance, Remuneration and Nomination Committee (the Committee) operates as a sub-committee of the Board. Its primary role is to assist the Board in fulfilling its responsibility to shareholders and other stakeholders, in accordance with the Governance, Remuneration and Nomination Committee Charter.

The Committee advises the Board on Non Executive Director and KMP remuneration, and, when required, seeks independent advice to make informed decisions. In addition, the Committee makes recommendations on incentive plans and associated performance measures together with the quantum of grants awarded, considering both the individual's and Paladin's performance.

Further information on the Committee's role and responsibilities can be found in the Committee's charter.

Remuneration Principles

The Company's remuneration strategy and framework are reviewed regularly by the Board and Committee to ensure their relevance and alignment with market practice. By regularly evaluating the link between remuneration and performance, the Company maintains transparency, accountability, and a strong focus on long-term value creation for shareholders.

Engagement of Remuneration Consultants

From time to time, the Committee will seek advice from independent remuneration consultants on Executive KMP trends, remuneration benchmarking, and prevailing market practices. During the financial year, advice was sought from Korn Ferry to benchmark Executive KMP remuneration, including fixed remuneration and incentive structures and non-executive director fees, against relevant ASX-listed organisations.

2022 AGM Voting Outcome and Comments

At the FY2022 AGM, the Company received an overwhelming vote of more than 99% in favour of the adoption of its Remuneration Report for the 2022 Financial Year. The Company did not receive any specific feedback on its remuneration practices at the AGM.

REMUNERATION REPORT (AUDITED)

INTRODUCTION AND FY2023 KEY MANAGEMENT PERSONNEL (KMP)

The KMP include the directors of Paladin Energy Limited and the Executive KMP (Chief Executive Officer (CEO), the Chief Operating Officer (COO), the Chief Financial Officer (CFO), Chief Commercial Officer (CCO) and General Manager Exploration) and those Executives who have authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director, whether executive or otherwise, of the parent company. For the purpose of this report, the KMP for the 2023 financial year are as follows:

Non-Executive Directors

- Mr Cliff Lawrenson, Non-Executive Chair
- Mr Peter Watson, Non-Executive Director
- Mr Peter Main, Non-Executive Director
- Ms Melissa Holzberger, Non-Executive Director
- Ms Joanne Palmer, Non-Executive Director
- Dr Jon Hronsky OAM, Non-Executive Director¹
- Mrs Lesley Adams, Non-Executive Director²

¹Appointed 20 March 2023

²Appointed 22 May 2023

These directors were members of the Board of Paladin Energy Limited throughout the whole of the 2023 financial year except as noted.

Current Executive KMP

- Mr Ian Purdy, Chief Executive Officer
- Mr Paul Hemburrow, Chief Operating Officer¹
- Ms Anna Sudlow, Chief Financial Officer
- Mr Jonathon Clements, Senior Vice President – Projects & Development²
- Mr Jess Oram, General Manager Exploration
- Mr Alex Rybak, Chief Commercial Officer

These Executive KMP held their positions throughout the whole of the 2023 financial year except as noted.

¹Appointed 1 February 2023

²Resigned 31 July 2022

For the purposes of this report, the term Executives encompasses Executive KMP.

There have been no other changes to Executive KMP after the reporting date.

REMUNERATION REPORT (AUDITED)

REMUNERATION FRAMEWORK

Outline of Remuneration Framework

In September 2021, BDO Remuneration completed an independent Executive and non-executive director Remuneration Review (the 'BDO Review'). The BDO Review was assessed and changes to the remuneration framework were adopted by the Committee in August 2022 and subsequently approved by the Company's Board of Directors. The review included market benchmarking of fixed remuneration for Executives and non-executive directors, as well as proposals regarding an Executive Long-Term Incentive (LTI) plan and the associated award of Performance Rights (PRs).

After assessing the BDO Review, the Committee endorsed an LTI plan for Executives, to align performance with creating long-term value for the shareholders. The structure of this framework is provided in Figure 1 below.

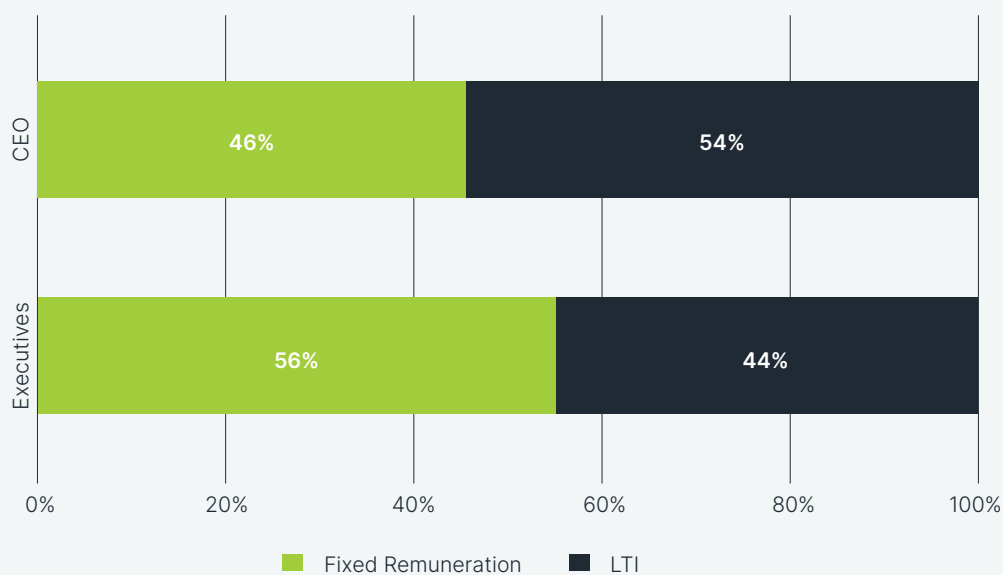
Figure 1: Remuneration Framework

Element	Purpose	Performance Metrics	Potential Value	Changes for FY2023
Fixed Remuneration (FR)	Provide market competitive base salary including statutory superannuation and non-monetary benefits	Base Salary – Nil	Positioned at median market rate	Nil
		Statutory Superannuation – Nil	Statutory % of base salary	
Long Term Incentive (LTI). Variable Performance Linked Remuneration ("at risk" remuneration)	Performance Rights aligned to the achievement of long term shareholder value	Award determined based on individual position. Vesting dependent on peer group hurdles creation of shareholder value over three-year period.	CEO Annual Allocation: 140% of FR Executive KMP Annual Allocation: 110% of FR	Nil

Executive KMP Remuneration FY2023

The Total Incentive Opportunity (TIO) represents the sum of the fixed and LTI opportunities. The TIO Target Remuneration is shown in Figure 2.

Figure 2: TIO Target Remuneration Mix for FY2023





REMUNERATION REPORT (AUDITED)

Fixed Remuneration FY2023

Executives may receive their fixed remuneration as cash, or cash with non-monetary benefits. Fixed remuneration is reviewed annually by the Committee, with reference to the Company's performance, individual's performance and benchmark information from ASX-listed and general mining organisations. It is determined from the present value or market rate of the role and is set with reference to the market median, cognisant of each Executive's accountability, location, skill set and experience.

Long-Term Incentive Plan FY2023

The LTI Plan is an 'at-risk' component of the remuneration intended to align the interests of Executive KMP with long-term shareholder returns. It is an equity-based award designed to attract, motivate and retain employees.

LTI Plan awards are made under the Performance Share Rights Plan (2020), approved by Shareholders on 17 November 2020.

For FY2023, the Board approved the following peer groups:

- Uranium Peer Group (50% of award); and
- General Mining Peer Group ASX300 (50% of award).

The peer groups are detailed in Figures 3 and 4. The FY2023 LTI Plan award will be assessed at the end of the financial year 2025.

The key elements of the LTI Plan as it relates to the Executive KMP is as follows:

Vesting Period	Performance is measured over a three-year vesting period commencing on 1 July of the financial year.
LTI Plan Vehicle	LTI Plan awards are delivered in performance rights granted for no consideration. The performance rights are a right to receive fully paid ordinary shares subject to meeting the performance and vesting conditions.
LTI Plan Opportunity	<p>The LTI Plan opportunity is calculated as a percentage of FR.</p> <p>The maximum opportunity for the CEO is 140% of FR and 110% of FR for the remaining Executive KMP.</p> <p>The number of performance rights granted is calculated by multiplying the LTI Plan opportunity value (eg the applicable percentage of FR) by the Fixed Remuneration and dividing by the VWAP for Paladin shares over a period determined by the Board at the time of the award.</p>
Performance Measures	<p>The Board has approved relative Total Shareholder Return (rTSR) as the performance measure as it aligns participants remuneration with the return received by shareholders and reflects creation of shareholder value compared to peers.</p> <p>To ensure the effectiveness and relevance of the rTSR measure, the peer group(s) against which Paladin is measured will be reviewed annually to ensure a diverse group of companies against which Paladin's share price performance can be appropriately benchmarked.</p>
Dividends and Voting Rights	Performance rights do not carry entitlements to dividend, dividend equivalent payments or voting.

REMUNERATION REPORT (AUDITED)

Vesting Hurdle	The vesting of the LTI Plan will be dependent on the outcome of Paladin's rTSR performance. There is a minimum performance level that must be achieved.								
	<table border="1"> <thead> <tr> <th>Relative TSR Performance</th> <th>% Performance Rights to Vest</th> </tr> </thead> <tbody> <tr> <td>Peer TSR Comparison <50th percentile</td> <td>0%</td> </tr> <tr> <td>50th percentile < peer TSR comparison < 75th percentile</td> <td>Pro-rata between 50% and 100%</td> </tr> <tr> <td>Peer TSR comparison > 75th percentile</td> <td>100%</td> </tr> </tbody> </table>	Relative TSR Performance	% Performance Rights to Vest	Peer TSR Comparison <50 th percentile	0%	50 th percentile < peer TSR comparison < 75 th percentile	Pro-rata between 50% and 100%	Peer TSR comparison > 75 th percentile	100%
	Relative TSR Performance	% Performance Rights to Vest							
	Peer TSR Comparison <50 th percentile	0%							
50 th percentile < peer TSR comparison < 75 th percentile	Pro-rata between 50% and 100%								
Peer TSR comparison > 75 th percentile	100%								
Assessing	The Committee is responsible for assessing performance against criteria and recommending to the Board the LTI Plan award to be paid. To assist in this assessment a third-party service provider will be engaged to report on the market performance condition (i.e. rTSR ranking within the comparator group as defined in each of the LTI Plan at each grant date).								
Vesting of Performance Rights	<p>Vesting of the performance rights is subject to continuity of service (unless the Board determines otherwise) and the assessment of Paladin's rTSR performance as set out above.</p> <p>To the extent that the applicable performance measures are achieved at the end of the three-year performance period, LTI Plan awards are delivered by vesting of all or a portion of performance rights in return for allocation to participants of fully paid ordinary shares.</p> <p>Once the performance right vests, participants will have two years to exercise the performance right, after which it will expire.</p>								
Cessation of employment	If an Executive resigns during this period, they will ordinarily forfeit their performance rights at the Board's discretion.								
Change of Control	If a change of control event occurs the Board may determine in its absolute discretion the treatment of unvested performance rights and the timing of such treatment, which may include determining that some or all unvested performance rights vest, lapse or become subject to substitute or varied conditions. Any performance rights not vested under the Change of Control rules lapse immediately.								
Clawback	The Board has discretion to reduce or clawback all vested and unvested awards in certain circumstances to ensure Executives do not obtain an inappropriate benefit. The circumstances in which the Board may exercise this discretion are extensive and include situations where an Executive has engaged in misconduct, where there has been a material misstatement of the Company's results, behaviours of Executives that bring the Company into disrepute or any other reasonable factor as determined by the Board.								

REMUNERATION REPORT (AUDITED)

Figure 3: Uranium Peer Group (50% of award)

Company	Code	Company	Code
Cameco Corporation	TSX:CCO	Uranium Energy Corp.	NYSE:UEC
JSC National Atomic Company Kazatomprom	DB:OZQ	Global Atomic Corporation	TSX:GLO
Nextgen Energy Limited	TSX:NXE	Ur Energy Inc.	NYSE:URG
Denison Mines Corp	TSX:DML	Encore Energy Corp.	TSXV:EU
Energy Fuels Inc.	TSX:EFR	Deep Yellow Limited	ASX: DYL
Bannerman Energy Limited	ASX: BMN	Lotus Resources Limited	ASX: LOT
Boss Energy Limited	ASX: BOE	Vimy Resources Limited (merged with Deep Yellow Limited 5 August 2022)	ASX: VMY
Fission Uranium Corp.	TSX: FCU		

Figure 4: General Mining Peer Group ASX300 (50% of award)

Company	Code	Company	Code	Company	Code
Deterra Royalties Ltd	DRR	Sandfire Resources	SFR	West African Resources Ltd	WAF
Iluka Resources Ltd	ILU	Perseus Mining Ltd	PRU	Capricorn Metals	CMM
Whitehaven Coal Ltd	WHC	Regis Resources	RRL	Bellevue Gold Ltd	BGL
Liontown Resources Ltd	LTR	De Grey Mining	DEG	Westgold Resources	WGX
Coronado Global Res	CRN	Silver Lake Resource	SLR	Red 5 Limited	RED
Nickel Industries Limited	NIC	Gold Road Res Ltd	GOR	SSR Mining Inc	SSR
Champion Iron Ltd	CIA	Ramelius Resources	RMS	Aurelia Metals Ltd	AMI
Chalice Mining Ltd	CHN	Ioneer Ltd	INR		
New Hope Corporation	NHC	St Barbara Limited	SBM		

Details of PRs issued to Executives as part of the FY2023 LTI Plan are provided below in Figure 8.

REMUNERATION REPORT (AUDITED)

FY2023 Contractual Arrangements with Executive KMP

Remuneration and other terms of employment for the Executives are formalised in Executive contracts. All contracts with Executives may be terminated by either party providing between three and six months written notice or providing payments in lieu of the notice period (based on a fixed component of remuneration).

Figure 5: Summary of Contractual Arrangements with Executives

Component	CEO Description	COO Description	CFO Description	Other Executive Description
Fixed Remuneration (exclusive of superannuation)	A\$560,000	A\$380,000	A\$360,500	Range between A\$300,000 and A\$310,000
Contract duration	No fixed term	No fixed term	No fixed term	No fixed term
Notice by the individual/Company	6 months	3 months	3 months	3 months
Termination Benefit	Not specified	Not specified	Not specified	Not specified
Termination of employment (without cause)	Long Term Incentive: On termination notice by Paladin, any rights that have vested, or that will vest during the notice period, will be released. Rights that have not yet vested will be forfeited.			
Termination of employment (with cause) or by the individual				

REMUNERATION REPORT (AUDITED)

REMUNERATION FRAMEWORK FY2024

Attracting and retaining exceptional talent is crucial for Paladin's long-term sustainability and achievement of strategic objectives. In a competitive marketplace, a remuneration framework that aligns with market practice and rewards performance is vital in retaining Executive KMP who can adeptly navigate the opportunities ahead.

In readiness for first production at the Langer Heinrich Mine in Q1 CY2024, and the pivot to a production environment, the Company engaged Korn Ferry to conduct a comprehensive independent review of the Company's remuneration framework in May 2023 ('the Korn Ferry Review'). Korn Ferry benchmarked Paladin's remuneration framework against a peer group of comparable ASX-listed organisations and considered the current remuneration framework against market practice.

As a result of the benchmarking and analysis, Paladin has adopted a strategic market position for all components of the remuneration framework, including fixed remuneration, total annual and aggregate reward (including STIP and LTIP) targeting a market range of between the 50% and 75% percentile.

In the current business landscape, there is substantial competition for top talent, and market forces such as wage pressures being experienced broadly across industry can further intensify this competition. Adopting this target market position ensures Paladin offers remuneration commensurate with market practice and competitive with peer companies.

The Korn Ferry Review was assessed and changes to the remuneration framework were adopted by the Committee in June 2023 and subsequently approved by the Company's Board. Detailed information on the changes to the Executive KMP remuneration framework will be disclosed in full in the Company's FY2024 Remuneration Report.

Executive Recommendations

The Board has approved the following changes for Executive KMP effective FY2024:

- Increases in fixed remuneration (**FR**)
- The implementation of a Short-Term Incentive Plan (**STIP**) to further align Executive KMP rewards with performance; and
- Long Term Incentive Plan (**LTIP**) awards, at a reduced opportunity, reflecting the introduction of the STI Plan. Additionally, introduction of a partial performance gateway to further align Executive KMP rewards with shareholder experience

The revised framework and remuneration mix of fixed remuneration, short and long-term remuneration is designed to competitively retain and reward Executive KMP based on their performance.

Figure 6: Total Annual Reward FY2024

Element	Purpose	Performance Metrics	Potential Value
Fixed Remuneration (FR)	Provide market competitive base salary including statutory superannuation and non-monetary benefits, determined by the scope of the role, experience and skills	Base Salary – Nil	Positioned at the 50%-75% percentile
		Statutory Superannuation – Nil	Maximum quarterly statutory superannuation cap
Short Term Incentive (STI) Variable Performance Linked Remuneration ("at risk" remuneration)	Incentive based on the achievement of short term corporate objectives	Award determined based on individual position. Cash payment based on the achievement of short-term objectives over a 12-month period.	CEO Annual Allocation of FR: 60% target – 120% stretch Executive KMP Annual Allocation of FR: 50% target -100% stretch
Long Term Incentive (LTI). Variable Performance Linked Remuneration ("at risk" remuneration)	Performance Rights aligned to the achievement of long-term shareholder value	Award determined based on individual position. Vesting dependent on peer group hurdles creation of shareholder value over three-year period.	CEO Annual Allocation: 140% of FR Executive KMP Annual Allocation: 100% of FR

REMUNERATION REPORT (AUDITED)

Fixed Remuneration

Executive KMP Fixed Remuneration has been reviewed for FY2024 considering the adopted target market position and benchmarked against a peer group of comparable ASX listed organisations. As a result, effective 1 July 2024 the following increases have been implemented:

Figure 7: FY2024 Fixed Remuneration

Component	CEO	COO	CFO	CCO
Fixed Remuneration (exclusive of superannuation)	A\$717,600	A\$457,600	A\$437,600	A\$357,600

LINKING LONG TERM PERFORMANCE AND SHAREHOLDER VALUE

Share Rights Plan Overview

In 2009, Paladin implemented an Employee Performance Share Rights Plan (the 2009 Employee Share Rights Plan) together with a Contractor Performance Share Rights Plan (the Contractor Rights Plan). These plans are referred to jointly as the Rights Plans and were reaffirmed by shareholders at the 2018 Annual General Meeting. The Rights Plans terms were amended and approved by shareholders at the 2020 Annual General Meeting (2020 Employee Share Rights Plan).

The Rights Plan is the mechanism under which Executives have been awarded:

- Long Term Incentive Plan Performance Rights, (current incentive grant)
- Performance Rights on commencement of employment
- Share Appreciation Rights, (previous incentive grant – no longer utilised for new incentive grants).

Performance Rights Terms and Conditions – LTI

The terms, conditions, and valuation of each grant of PRs affecting remuneration in the current or a future reporting period are as follows:

Figure 8: Performance Rights Terms and Conditions issued to Executives as the FY2023 LTI

Grant date	Vesting and exercise date	Expiry date	No granted	Exercise price	Value per PR at grant date	Performance achieved	% Vested
28 September 2022	31 December 2023	28 September 2027	529,150	A\$0.00	A\$0.735	Retention based	-
28 September 2022 ¹	30 June 2025	28 September 2027	1,390,917	A\$0.00	A\$0.631	To be determined	-
28 September 2022 ²	30 June 2025	28 September 2027	1,390,917	A\$0.00	A\$0.629	To be determined	-
28 March 2023	31 December 2023	28 March 2028	203,401	A\$0.00	A\$0.605	Retention based	-
28 March 2023 ¹	30 June 2025	28 March 2028	271,201	A\$0.00	A\$0.484	To be determined	-
28 March 2023 ²	30 June 2025	28 March 2028	271,201	A\$0.00	A\$0.412	To be determined	-

¹ The number of PRs that vest is based on the Total Shareholder Return (TSR) of Paladin over the performance period of three years, relative to the TSR performance of a nominated peer group of 15 international uranium focused companies.

² The number of PRs that vest is based on the TSR of Paladin relative to the performance of a nominated general mining peer group of 25 ASX listed companies.

REMUNERATION REPORT (AUDITED)

Performance Rights on Commencement of Employment

Performance Rights were issued to Executives appointed in FY2023 at the commencement of their employment. These PRs were provided as a mechanism to attract and retain Executives in the current market. These PRs have a two-year vesting period and are contingent on continued employment with the Company. The PRs issued on commencement are provided below in Figure 9.

Figure 9: Performance Rights issued to Executives on commencement of employment

Grant date	Vesting and exercise date	Expiry date	No granted	Exercise price	Value per PR at grant date	Performance achieved	% Vested
28 March 2023	31 January 2025	1 February 2028	500,000	A\$0.00	A\$0.605	Retention based	-

Share Appreciation Rights Terms and Conditions

Paladin has historically granted Share Appreciation Rights (SARs) to Executives under the Rights Plan.

The number of SARs over ordinary shares in the Company provided as remuneration to Executives is shown in Figure 10 below. The SARs carry no dividend or voting rights. Figure 10 contains the conditions that must be satisfied for the SARs to vest.

When exercisable, each SAR is convertible into one ordinary share of Paladin Energy Ltd. The exercise price of SARs is based on the weighted average price at which the Company's shares are traded on the Australian Securities Exchange during the five business days up to and including the date of grant.

The terms, conditions, and valuation of each grant of SARs affecting remuneration in the current or a future reporting period are as follows:

Figure 10: Share Appreciation Rights vesting during the year and in future periods

Grant date	Vesting and exercise date	Expiry date	Number	Exercise price	Value per SAR at grant date	Performance achieved	% Vested
1 July 2019	1 July 2022	1 July 2027	1,100,000	A\$0.1226	A\$0.07	Retention based	100%

RECONCILIATION OF PERFORMANCE BASED REMUNERATION

The number of PRs over ordinary shares in the Company provided as remuneration to Executives is shown in Figure 11 below. The PRs carry no dividend or voting rights. When exercisable, each PR is convertible into one ordinary share of Paladin Energy Ltd.

Figure 11 shows for each Executive the value of PRs and SARs that were granted, exercised, and forfeited during FY2023. The number of PRs and SARs vested/forfeited for each grant during FY2023 are disclosed in Figures 12 and Figure 13 below.

Figure 11: Performance based remuneration granted and forfeited during the year

2023	Performance Rights		
	Value granted US\$	Value exercised US\$	Value forfeited US\$
Ian Purdy	461,145	-	-
Paul Hemburrow	97,005	-	-
Anna Sudlow	264,837	-	-
Jonathon Clements	-	-	(184,850)
Jess Oram	368,610	-	-
Alex Rybak	368,610	-	-

REMUNERATION REPORT (AUDITED)

The table below shows a reconciliation of PRs held by each Executive from the beginning to the end of FY2023.

No SARs were granted, exercised, or forfeited during the year.

Figure 12: Reconciliation of Performance Rights

Name	Balance at the start of the year		Vested			Forfeited		Performance achieved	
	Unvested	Granted as compensation	Number	%	Exercised	Number	%	Vested and exercisable	Unvested
Ian Purdy	1,630,895 ¹	1,370,766 ⁴	-	-	-	-	-	-	3,001,661
Paul Hemburrow	-	745,809 ³	-	-	-	-	-	-	745,809
Paul Hemburrow ⁵	-	500,000	-	-	-	-	-	-	500,000
Anna Sudlow	820,293 ¹	709,919 ⁴	-	-	-	-	-	-	1,530,212
Jonathon Clements	798,334 ¹	-	-	-	-	(798,334)	100	-	-
Jess Oram	710,501 ¹	615,151 ⁴	-	-	-	-	-	-	1,325,652
Jess Oram	500,000 ²	-	-	-	-	-	-	-	500,000
Alex Rybak	710,501 ¹	615,151 ⁴	-	-	-	-	-	-	1,325,652
Alex Rybak	500,000 ²	-	-	-	-	-	-	-	500,000

¹ Grant date 3 November 2021 as part of the FY2022 LTI

² Grant date 7 September 2021 as commencement PRs

³ Grant date 28 March 2023 as part of the FY2023 LTI

⁴ Grant date 28 September 2022 as part of the FY2023 LTI

⁵ Grant date 28 March 2023 as commencement PRs

The table below shows a reconciliation of SARs held by each Executive from the beginning to the end of FY2023. At the commencement of FY2022, 1,400,000 SARs had vested. On 1 July 2022, a further 1,100,000 SARs vested.

Figure 13: Reconciliation of Share Appreciation Rights

Name & grant date	Balance at the start of the year		Vested			Forfeited		Balance at the end of the year	
	Unvested	Granted as compensation	Number	%	Exercised	Number	%	Vested and exercisable	Unvested
Anna Sudlow ¹	1,400,000	-	1,100,000	100	-	-	-	2,500,000	-

¹ Granted 1 July 2019. Fair value per right at grant date was A\$0.05, A\$0.06 and A\$0.07

REMUNERATION REPORT (AUDITED)

REMUNERATION EXPENSES FOR EXECUTIVE KMP

The following table shows details of the remuneration expense recognised for the Group's Executive KMP for the current and previous financial year measured in accordance with the requirements of the accounting standards.

Figure 14: Compensation of Executive KMP

Name	Year	Fixed Remuneration			Variable Remuneration	Total		Total Performance Related	
		Salary & Fees ¹ US\$	Other US\$	Superannuation US\$	PRs and SARs US\$	US\$	A\$	US\$	%
Ian Purdy	2023	375,945	-	16,980	461,146	854,071	1,272,207	461,146	54.0
	2022	406,000	-	17,087	289,885	712,972	1,062,029	289,885	40.7
Paul Hemburrow ²	2023	106,294	-	11,161	97,005	214,460	319,455	97,005	45.2
Anna Sudlow	2023	242,015	4,769 ³	16,980	264,837	528,601	787,393	264,386	50.1
	2022	253,750	5,151	17,087	145,804	421,792	628,293	145,804	34.6
Jonathon Clements ⁴	2023	19,021	13,168	1,997	-	34,186	50,923	-	0.0
	2022	246,500	-	17,087	141,901	405,488	604,007	141,901	35.0
Jess Oram	2023	207,441	-	16,980	368,610	593,031	883,367	368,610	62.2
	2022	207,614	-	20,001	242,649	470,624	700,496	242,649	51.6
Alex Rybak	2023	207,441	-	18,180	368,610	594,231	885,155	368,610	62.0
	2022	207,614	-	20,761	242,649	471,024	701,628	242,649	51.5
Total Executive KMP remuneration expensed	2023	1,158,157	17,937	82,278	1,560,208	2,818,580	4,198,500	1,560,208	
	2022	1,321,478	5,151	92,023	1,062,888	2,481,540	3,696,453	1,062,888	

The FY2022 comparative value has been restated for the under recognition of share-based payment expense as a result of the correction in the Performance Right's service commencement period. This increases the variable remuneration for Mr Ian Purdy by US\$69,266, Ms Anna Sudlow by US\$15,139, Mr Jonathan Clements by US\$33,906, Mr Jess Oram by US\$26,198 and Mr Alex Rybak by US\$26,198.

¹ Includes 4 weeks annual leave per annum

² Appointed 1 February 2023

³ Insurance

⁴ Resigned 31 July 2022

Notes to the Compensation Tables

Presentation Currency: The compensation table has been presented in US\$, Paladin's functional and presentation currency. The A\$ value has also been shown as this is the most relevant comparator between years, given that 100% of KMP contracts for services were denominated in A\$ and this eliminates the effects of fluctuations in the US\$ and A\$ exchange rate. Exchange rate used is the average for the 2023 financial year US\$1 = A\$1.489580 (2022 financial year US\$1 = A\$1.379310).

For accounting purposes, the fair value at grant date is shown above in accordance with AASB 2 Share Based Payment. The PRs subject to TSR conditions have been independently valued using a hybrid employee share option pricing model which uses a correlated simulation that simultaneously calculates the returns from the Company's and the individual peer group companies' TSR (for Peer Groups 1 and 2) on a risk-neutral basis as at the vesting date with regards to the remaining performance measurement period. The PRs subject to non-market conditions have been valued with reference to the Paladin share price on grant date. The fair value of PRs granted are set out in Figures 8 and 9. The fair value at the grant date represents the maximum possible total fair value of the shares. The minimum value of unvested shares is \$Nil.

REMUNERATION REPORT (AUDITED)

NON-EXECUTIVE DIRECTOR REMUNERATION

Paladin's non-executive directors' remuneration policy aims to reward directors fairly and responsibly with regards to the demands which are made on them, and the responsibilities of, the directors. The Board may seek advice from external consultants to help review non-executive director fees.

The aggregate annual fees permitted to be paid to non-executive directors may not exceed the fee pool limit, currently A\$1,200,000 (US\$805,596) as approved by shareholders at the 2008 Annual General Meeting.

Non-executive director's remuneration consists of a base board fee see Figure 15 below, inclusive of superannuation. Non-executive directors are not entitled to retirement benefits other than statutory superannuation in accordance with applicable laws, nor do they participate in performance-based incentive plans. There is no entitlement to compensation on termination of non-executive directorships.

Expenses and Additional Fees

Paladin's Constitution provides for additional compensation to be paid if any of the Directors are called upon to perform extra services or make any special exertions on behalf of Paladin or the business of Paladin (Additional Fees). Paladin may compensate such Director in accordance with such services or exertions, and such compensation may be either in addition to or in substitution for the Directors' fees referred to in Figure 15 below. Refer Figure 16 below for details of compensation paid to Directors during FY2023.

Directors are also entitled to be reimbursed for reasonable expenses incurred whilst engaged on Paladin business. Payments for, or reimbursement of, expenses, and any Additional Fees, are not included in the fee pool limit.

Figure 15: Non-Executive Directors' Remuneration Arrangements

Remuneration component	Elements	Details (per annum)
Base fee	Must be contained within aggregate limit	Chair A\$150,000 (US\$100,700) Non-Executive Director A\$100,000 (US\$67,133)
Superannuation	Statutory contributions are included in the fees set out above	

Fees (inclusive of superannuation) paid for the year to 30 June 2023 total US\$463,454 (A\$690,353). No additional fees were paid during the year ended 30 June 2023, other than the Directors' fees disclosed.

REMUNERATION REPORT (AUDITED)

Figure 16: Compensation of Non-Executive Directors

Name	Year	Fixed Remuneration		Variable Remuneration - LTI	Total		Total performance related	
		Salary & Fees ¹	Superannuation	Share rights	US\$	A\$	US\$	%
		US\$	US\$	US\$	US\$	A\$	US\$	%
Cliff Lawrenson	2023	91,131	9,569	-	100,700	150,000	-	-
	2022	108,750	-	-	108,750	150,000	-	-
Peter Main	2023	46,590	20,543	-	67,133	100,000	-	-
	2022	72,500	-	-	72,500	100,000	-	-
Peter Watson ¹	2023	121,507	12,758	-	134,265	200,000	-	-
	2022	82,386	8,239	-	90,625	125,000	-	-
Melissa Holzberger	2023	60,754	6,379	-	67,133	100,000	-	-
	2022	65,909	6,591	-	72,500	100,000	-	-
Joanne Palmer	2023	60,754	6,379	-	67,133	100,000	-	-
	2022	65,909	6,591	-	72,500	100,000	-	-
Dr Jon Hronsky OAM ²	2023	17,525	1,840	-	19,365	28,846	-	-
Lesley Adams ³	2023	6,991	734	-	7,725	11,507	-	-
Total non-executive director remuneration	2023	405,252	58,202	-	463,454	690,353	-	-
	2022	395,454	21,421	-	416,875	575,000	-	-

¹ In FY2022, Peter Watson was requested by the Board to provide additional oversight to the Langer Heinrich Mine Restart Project and a variation to amend his directors' fees from A\$100,000 to A\$200,000, on an arms-length and commercial basis, was approved by the Board effective 1 April 2022. The Board considered that these services are unique, needed, limited in nature and the Board consider that they are in the best interests of shareholders.

² Appointed 20 March 2023

³ Appointed 22 May 2023

ADDITIONAL STATUTORY INFORMATION (UNAUDITED)

Shareholdings

The table below reconciles the shareholdings of non-executive directors and Executive KMP for FY2023.

Figure 17: Shareholdings

Name	Balance at the start of the year	Received during the year on the exercise of PRs	Received during the year on the exercise of SARs	Other changes during the year	Balance at the end of the year
Non-Executive Directors					
Cliff Lawrenson	2,235,136	-	-		2,235,136
Peter Main	4,094,594	-	-		4,094,594
Peter Watson	1,000,000	-	-		1,000,000
Melissa Holzberger	21,743	-	-		21,743
Joanne Palmer	21,725	-	-		21,725
Dr Jon Hronsky OAM	-	-	-		-
Lesley Adams	-	-	-		-
Executives					
Ian Purdy	8,750,000	-	-	(3,750,000)	5,000,000
Paul Hemburrow	-	-	-		-
Anna Sudlow	6,650,000			(4,050,000)	2,600,000
Jonathon Clements	3,000,000	-	-	(1,000,000)	2,000,000
Jess Oram	-	-	-	-	-
Alex Rybak	-	-	-	-	-

None of the shares above are held nominally by the directors or any of the other KMP.

No other KMP held shares during the years ended 30 June 2023 and 30 June 2022.

All equity transactions with KMP have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

Loans Given to Key Management Personnel

Paladin does not offer any loan facilities to KMP.

Other Transactions with Key Management Personnel

In FY2022, Peter Watson was requested by the Board to provide additional oversight to the Langer Heinrich Mine Restart Project and a variation to amend his directors' fees from A\$100,000 to A\$200,000, on an arms-length and commercial basis, was approved by the Board effective 1 April 2022. The Board considered that these services are unique, needed, limited in nature and the Board consider that they are in the best interests of shareholders.

During FY2023, Paladin paid Dr Jon Hronsky OAM US\$8,843 (A\$13,340) in relation to the provision of geological consulting services through his company, Western Mining Services Pty Ltd which have been paid on an arms-length and commercial basis and were approved by the Board.



Auditor's Independence Declaration

As lead auditor for the audit of Paladin Energy Ltd for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Paladin Energy Ltd and the entities it controlled during the period.

A handwritten signature in black ink that reads 'Justin Carroll'.

Justin Carroll
Partner
PricewaterhouseCoopers

Perth
25 August 2023

PricewaterhouseCoopers, ABN 52 780 433 757
Brookfield Place, 125 St Georges Terrace, PERTH WA 6000, GPO Box D198, PERTH WA 6840
T: +61 8 9238 3000, F: +61 8 9238 3999, www.pwc.com.au

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Financial Report

For the year ended
30 June 2023

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2023

	Notes	2023 US\$'000	2022 US\$'000
Revenue			
Revenue	9	—	4,700
Cost of sales	10	—	(4,693)
Gross profit		—	7
Other income	10	4,696	1,011
Other losses	10	(512)	(12)
Foreign exchange gain/(loss) (net)	10	584	(8,179)
Administration, marketing and non-production costs	10	(17,464)	(23,759)
Loss before interest and tax		(12,696)	(30,932)
Finance costs	10	(14,362)	(13,006)
Net loss before income tax from continuing operations		(27,058)	(43,938)
Income tax expense	11	—	(1)
Net loss after tax from continuing operations		(27,058)	(43,939)
Attributable to:			
Non-controlling interests		(16,486)	(17,196)
Members of the parent		(10,572)	(26,743)
Net loss after tax		(27,058)	(43,939)
Loss per share (US cents)			
Loss after tax from operations attributable to ordinary equity holders of the Company			
continuing operations, basic and diluted (US cents)	12	(0.4)	(1.0)

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2023

	Notes	2023 US\$'000	2022 US\$'000
Net loss after tax		(27,058)	(43,939)
Other comprehensive income			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Foreign currency translation	7	(870)	(1,254)
Income tax on items of other comprehensive income		—	—
<i>Items that will not be subsequently reclassified to profit or loss:</i>			
Changes in the fair value of equity investments at fair value through other comprehensive income		363	432
Other comprehensive loss for the year, net of tax		(507)	(822)
Total comprehensive loss for the year		(27,565)	(44,761)
Total loss attributable to:			
Non-controlling interests		(16,486)	(17,196)
Members of the parent		(11,079)	(27,565)
		(27,565)	(44,761)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Notes	2023 US\$'000	2022 US\$'000
ASSETS			
Current assets			
Cash and cash equivalents	5a	126,636	177,066
Restricted cash	5b	1,014	1,000
Trade and other receivables	14	2,756	5,084
Prepayments	15	11,127	1,263
Inventories	16	5,646	5,100
Financial assets held for sale	17	1,590	—
TOTAL CURRENT ASSETS		148,769	189,513
Non-current assets			
Trade and other receivables	14	355	194
Right-of-use assets		817	918
Property, plant and equipment	18	197,928	166,274
Mine development	19	22,064	14,975
Exploration and evaluation expenditure	20	95,321	101,327
Intangible assets	21	7,793	7,793
TOTAL NON-CURRENT ASSETS		324,278	291,481
TOTAL ASSETS		473,047	480,994
LIABILITIES			
Current liabilities			
Trade and other payables	22	9,094	2,211
Lease liabilities		159	55
Provisions	23	331	335
TOTAL CURRENT LIABILITIES		9,584	2,601

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2023

	Notes	2023 US\$'000	2022 US\$'000
Non-current liabilities			
Interest bearing loans and borrowings	6	89,708	78,558
Lease liabilities		622	880
Provisions	23	38,049	40,543
TOTAL NON-CURRENT LIABILITIES		128,379	119,981
TOTAL LIABILITIES		137,963	122,582
NET ASSETS		335,084	358,412
EQUITY			
Contributed equity	7	2,646,644	2,645,778
Reserves	7	(70,004)	(71,917)
Accumulated losses		(2,169,066)	(2,160,834)
Parent interests		407,574	413,027
Non-controlling interests		(72,490)	(54,615)
TOTAL EQUITY		335,084	358,412

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

	Contributed Equity (Note 7)	Reserves (Note 7)	Accumulated Losses	Attributable to Owners of the Parent	Non- Controlling Interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 30 June 2021	2,489,082	(59,354)	(2,146,511)	283,217	(36,509)	246,708
Loss for the period	—	—	(26,743)	(26,743)	(17,196)	(43,939)
Other comprehensive income	—	(822)	—	(822)	—	(822)
Total comprehensive loss for the year net of tax	—	(822)	(26,743)	(27,565)	(17,196)	(44,761)
Share-based payments	111	1,885	—	1,996	—	1,996
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	—	(10,866)	10,866	—	—	—
Transfer of reserves on deregistration of subsidiaries through the income statement	—	(2,760)	—	(2,760)	—	(2,760)
Capital raising (net of costs)	156,585	—	—	156,585	—	156,585
Earn in of 5% share of Michelin Project	—	—	1,554	1,554	(1,554)	—
Transactions with owners in their capacity as owners	—	—	—	—	644	644
Balance at 30 June 2022	2,645,778	(71,917)	(2,160,834)	413,027	(54,615)	358,412
Loss for the period	—	—	(10,572)	(10,572)	(16,486)	(27,058)
Other comprehensive income	—	(507)	—	(507)	—	(507)
Total comprehensive loss for the year net of tax	—	(507)	(10,572)	(11,079)	(16,486)	(27,565)
Share-based payments	866	3,226	—	4,092	—	4,092
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	—	(806)	806	—	—	—
Earn in of 5% share of Michelin Project	—	—	1,534	1,534	(1,534)	—
Transactions with owners in their capacity as owners	—	—	—	—	145	145
Balance at 30 June 2023	2,646,644	(70,004)	(2,169,066)	407,574	(72,490)	335,084

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

	Notes	2023 US\$'000	2022 US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers ¹		—	4,700
Payments to suppliers and employees ²		(13,630)	(11,718)
Other income		81	158
Interest received		4,174	67
Tax paid		—	(1)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	13	(9,375)	(6,794)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(734)	(180)
Capitalised exploration expenditure		(1,910)	(1,005)
LHM Restart Project		(36,955)	—
LHM Restart Study Costs		—	(2,242)
Proceeds from sale of subsidiary		3,000	2,000
Proceeds from sale of investments ^{3,4}		805	13,386
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES		(35,794)	11,959
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		—	162,514
Equity fundraising costs		—	(5,929)
Funds received from Shareholder ⁵		85	811
NET CASH INFLOW FROM FINANCING ACTIVITIES		85	157,396
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(45,084)	162,561
Unrestricted cash and cash equivalents at the beginning of the financial year		177,066	30,661
Effects of exchange rate changes on cash and cash equivalents		(5,346)	(16,156)
UNRESTRICTED CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		126,636	177,066

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

- 1 During FY2022 the Company participated in a spot trading opportunity (FY2023: US\$Nil).
- 2 Includes cost of sales relating to the spot trade of US\$4,692,500 (FY2023: US\$Nil).
- 3 During FY2022 the Company sold 90M shares in Lotus Resources Ltd
- 4 During FY2023 the Company sold 390k shares in Global Atomic Corporation shares
- 5 Funds received by way of loan from CNNC Overseas Limited to Langer Heinrich Uranium Pty Ltd to fund care and maintenance activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

BASIS OF PREPARATION

NOTE 1. CORPORATE INFORMATION

The Consolidated Financial Report of the Group consisting of Paladin Energy Ltd (Paladin) and the entities it controlled at the end of, or during the year ended 30 June 2023 was authorised for issue by the Directors on 25 August 2023.

The Company is incorporated under the laws of Australia with a primary share market listing on the Australian Securities Exchange (ASX) and is also listed on the Namibian Stock Exchange (NSX). The Company also trades on the OTCQX market in the United States of America. The Group's principal place of business is Level 8, 191 St Georges Terrace, Perth, Western Australia. The nature of the operations and principal activities of the Group are described in the Operating and Financial Review (unaudited) on pages 10 to 25.

NOTE 2. STRUCTURE OF THE FINANCIAL REPORT

The Notes to the Consolidated Financial Statements have been grouped into six key categories, which are summarised as follows:

Basis of Presentation

This section sets out the Group's significant accounting policies that relate to the financial statements as a whole. Where an accounting policy is specific to one note, the policy is described in the note to which it relates. Accounting policies determined non-significant are not included in the financial statements.

Segment Reporting

This section compares performance across operating segments.

Capital Structure

This section outlines how the Group manages its capital and related financing costs.

Performance for the Year

This section focuses on the results and performance of the Group. This covers both profitability and the resultant return to shareholders via earnings per share combined with cash generation.

Operating Assets and Liabilities

This section shows the assets used to generate the Group's trading performance and the liabilities incurred as a result. Liabilities relating to the Group's financing activities are addressed in the Capital Structure section.

Other Notes

This section deals with the remaining notes that do not fall into any of the other categories.

NOTE 3. BASIS OF PREPARATION

Introduction and Statement of Compliance

The Financial Report is a general-purpose Financial Report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The Financial Report complies with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Financial Report has also been prepared on a historical cost basis unless otherwise stated in the notes to the financial statements. Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The Financial Report is presented in US dollars and all values are rounded to the nearest thousand dollars (US\$1,000) unless otherwise stated under the option available to the Company under Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

Changes in Accounting Policies

The accounting policies adopted have been consistently applied to all the years presented, unless otherwise stated.

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the report results of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

The Group has adopted all applicable new and amended Australian Accounting Standards and AASB Interpretations effective from 1 July 2022.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions (refer Note 31).

Basis of Consolidation

The consolidated financial statements comprise the financial statements of Paladin Energy Ltd and its subsidiaries as at 30 June 2023 (the Group).

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Statement of Comprehensive Income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Financial Position respectively.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group.

Foreign Currency Translation

Functional and Presentation Currency

Items included in the Financial Statements of each of the Group's entities are measured using United States Dollars (US Dollars), the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in US Dollars.

Transactions and Balances

Foreign currency transactions are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Income Statement. Translation differences on available-for-sale financial assets are included in the available-for-sale reserve.

Group Companies

Some Group entities have a functional currency of US dollars which is consistent with the Group's presentational currency. For all other Group entities, the functional currency has been translated into US dollars for presentation purposes as follows:

- Assets and liabilities are translated using exchange rates prevailing at the balance date
- Revenues and expenses are translated using average exchange rates prevailing for the Consolidated Income Statement year
- Equity transactions are translated at exchange rates prevailing at the dates of transactions. The resulting difference from translation is recognised in a foreign currency translation reserve.

The functional currency of individual subsidiaries reflects their operating environment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the obligations under the contract. The provision is stated at the present value of the future net cash outflows expected to be incurred in respect of the contract.

Fair value hierarchy

To provide an indication of the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

- Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Material Accounting Judgements, Estimates and Assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Areas involving significant estimates or judgements are:

- Assessment of carrying values of property, plant and equipment, mine development costs, exploration and evaluation expenditure and intangible assets associated with the Langer Heinrich Mine — Notes 18–21
- Estimated fair value of certain financial liabilities - Note 6
- Environmental rehabilitation provision – Note 23
- Useful lives of property, plant and equipment - Note 18
- Useful lives of mine development costs and intangible assets associated with the Langer Heinrich Mine — Notes 19 and 21

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events including climate change related matters that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. Paladin recognises the increasing global impacts of climate change, however the financial impact, and any other impacts, of climate change on our operations is currently expected to be minimal.

SEGMENT REPORTING

NOTE 4. SEGMENT INFORMATION

Identification of Reportable Segments

The Company has identified its operating segments to be Exploration, Namibia and Australia, on the basis of the nature of the activity and geographical location and different regulatory environments. The main segment activity in Namibia¹ is the production and sale of uranium from the mine located in this country's geographic regions. The Australian segment includes the Company's sales and marketing, corporate and administration. The Exploration² segment is focused on developing exploration and evaluation projects in Australia and Canada.

Discrete financial information about each of these operating segments is reported to the Group's executive management team on at least a monthly basis.

The accounting policies used by the Group in reporting segments internally are the same as those contained in the accounts and in the prior period.

1 In May 2018, the Company received the consent of relevant stakeholders to place Langer Heinrich Mine (LHM) into care and maintenance and LHM stopped presenting ore to the plant. On 19 July 2022, Paladin announced the decision to return the Langer Heinrich Mine to production

2 In FY2023, the Company has only undertaken the work required to meet minimum tenement commitments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Corporate charges comprise non-segmental expenses such as corporate office expenses. A proportion of the corporate charges are allocated to Namibia and Exploration tenements with the balance remaining in Australia.

The following tables present revenue, expenditure and asset information regarding operating segments for the years ended 30 June 2023 and 30 June 2022.

Year ended 30 June 2023	Exploration US\$'000	Namibia US\$'000	Australia US\$'000	Consolidated US\$'000
Revenue	—	—	—	—
Total consolidated revenue	—	—	—	—
Cost of sales	—	—	—	—
Gross profit	—	—	—	—
Other income	—	109	4,587	4,696
Other losses ³	(7)	(505)	—	(512)
Other expenses	(441)	(9,406)	(7,617)	(17,464)
Foreign exchange gain (net) ⁴				584
Segment loss before income tax and finance costs	448	(9,802)	(3,030)	(12,696)
Finance costs		(6,813)	(7,549)	(14,362)
Loss before income tax	(448)	(16,615)	(10,579)	(27,058)
Income tax expense	—	—	—	—
Net loss after tax	(448)	(16,615)	(10,579)	(27,058)
At 30 June 2023				
Segment assets/total assets	95,631	256,929	120,487 ⁵	473,047
	Australia US\$'000	Canada US\$'000	Namibia US\$'000	Consolidated US\$'000
Non-current assets (excluding financial assets) by country	64,201	32,460	227,617	324,278
Additions to non-current assets by country				
Property, Plant and Equipment	334	13	34,650	34,997
Exploration and Evaluation Expenditure	473	1,470	—	1,943

³ Relates to assets demolished as part of the Restart Project

⁴ Individual segment results are managed before the impact of foreign exchange differences

⁵ Includes US\$116,785,000 in cash and cash equivalents

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Year ended 30 June 2022	Exploration US\$'000	Namibia US\$'000	Australia US\$'000	Consolidated US\$'000
Revenue	—	4,700	—	4,700
Total consolidated revenue	—	4,700	—	4,700
Cost of sales	—	(4,693)	—	(4,693)
Gross profit	—	7	—	7
Other income	—	136	875	1,011
Other losses	—	(2)	(10)	(12)
Other expenses	—	(18,833)	(4,926)	(23,759)
Foreign exchange loss (net) ⁶	—	—	—	8,179
Segment loss before income tax and finance costs	—	(18,692)	(4,061)	(30,932)
Finance costs	—	(6,417)	(6,589)	(13,006)
Loss before income tax	—	(25,109)	(10,650)	(43,938)
Income tax expense	—	—	(1)	(1)
Net loss after tax	—	(25,109)	(10,651)	(43,939)
At 30 June 2022				
Segment assets/total assets	94,601	203,651	182,742 ⁷	480,994
	Australia US\$'000	Canada US\$'000	Namibia US\$'000	Consolidated US\$'000
Non-current assets (excluding financial assets) by country	64,299	31,004	196,178	291,481
Additions to non-current assets by country				
Property, Plant and Equipment	44	—	971	1,015
Exploration and Evaluation Expenditure	645	502	1,863	3,010

⁶ Individual segment results are managed before the impact of foreign exchange differences

⁷ Includes US\$176,514,000 in cash and cash equivalents.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

CAPITAL STRUCTURE

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an efficient capital structure to reduce the cost of capital. Capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. Whilst the Group has US\$126.6M cash on hand at 30 June 2023, it is also exploring corporate debt facilities to provide additional liquidity and flexibility as it recommences operations at the LHM.

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the level of return on capital and also the level of net cash/debt.

NOTE 5A. CASH AND CASH EQUIVALENTS

	2023	2022
	US\$'000	US\$'000
Cash at bank and on hand	49,279	32,168
Short-term bank deposits	77,357	144,898
Total cash and cash equivalents	126,636	177,066

NOTE 5B. RESTRICTED CASH

	2023	2022
	US\$'000	US\$'000
Restricted cash at bank	1,014	1,000
Total restricted cash	1,014	1,000

The cash is restricted for use in respect of an environmental guarantee provided by Langer Heinrich Uranium (Pty) Ltd.

Recognition and measurement

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

NOTE 6. INTEREST BEARING LOANS AND BORROWINGS

	2023	2022
	US\$'000	US\$'000
Non-Current		
LHU's loans from CNNC	89,708	78,558
Total Interest Bearing Loans and Borrowings	89,708	78,558

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Recognition and measurement

Loans and borrowings are initially recognised at fair value, net of transaction costs incurred. Loans and borrowings are subsequently measured at amortised cost. Any difference between the fair value (net of transaction costs) and the redemption amount is recognised in the Consolidated Income Statement over the period of the borrowings using the effective interest method.

For the majority of any external borrowings, fair values are based on a discounted cash flow basis using quoted market prices (Level 1) or observable market data (Level 2) inputs in the fair value hierarchy.

The fair values of shareholder loans are based on discounted cash flows using a rate that the Company considers representative of a secured borrowing rate available in the market. These are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including Paladin's own credit risk.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

Details of the fair value of the Group's other interest-bearing liabilities are set out in Note 8.

LHU's loans from CNNC

As part of the sale of the 25% interest in Langer Heinrich Mauritius Holdings Limited (LHMHL) in 2014 to CNNC Overseas Limited (CNNC), US\$96,000,000 (representing 25%) of the intercompany shareholder loans owing by Langer Heinrich Uranium (Pty) Ltd (LHU) to Paladin Finance Pty Ltd (PFPL) were assigned to CNNC under the same interest rate and conditions in place at the time. Subsequent to the sale in 2014 Paladin, PFPL and CNNC have provided further shareholder loans to LHU.

Under the Shareholders' Agreement between CNNC, PFPL and LHU, each shareholder has agreed not to demand repayment of the loans without the prior written consent of the other shareholder. As neither CNNC nor PFPL can demand repayment, the repayment of the loans can be deferred. Repayment is dependent on LHU generating sufficient free cash flows to repay the loans. These loans have not been guaranteed by Paladin. Interest on shareholder loans is also deferred until there are sufficient cash flows.

On consolidation, PFPL's 75% share of the LHU intercompany shareholder loans are eliminated against the intercompany shareholder loans receivable recorded in PFPL and therefore, they do not appear on Paladin's consolidated statement of financial position. As a result of the consolidation of 100% of LHU's assets and liabilities, LHU's shareholder loan liability to CNNC is recognised on the consolidated statement of financial position.

On 1 January 2021, two shareholder loan facility agreements were extended with revised terms which included modifications to the term and interest rate of the loans. The revised terms of the shareholder loans reflected a mix of fixed and floating rate interest and interest free periods and considered that the LHM was in care and maintenance and not generating revenue. The shareholders loan terms may not be reflective of market conditions for external borrowings at this time. The face value of the loans remained the same.

These revisions were considered a "substantial" modification under AASB9 Financial Instruments, which required the original loan facilities to be "extinguished" and new loan facilities to be recognised at fair value. As a result, the book value of the total amount of the shareholder loans amounting to US\$400,438,000 (owing to the Group and CNNC at 31 December 2020) was derecognised and "new" loans recognised at a fair value of US\$247,633,000 at that date with the difference taken directly to equity as a shareholder contribution. After eliminations, the fair value of the CNNC share of the loan facilities was recognised at US\$64,432,000.

The difference between the fair value and face value of the loans was recognised in equity and will be unwound over the term of the loans through the effective interest rate. At 30 June 2023 US\$7,461,000 (2022 US\$6,516,000) accretion expense had been recognised on these loans.

In July 2021, PFPL and CNNC entered into further loan agreements to advance funds to LHU to fund care and maintenance and restart capital requirements. These loans were also recognized at fair value. After eliminations, the difference between the fair value and face value of these loans of US\$644,000 has also been recognised in equity and will be unwound over the term of the loans through the effective interest rate. At 30 June 2023 US\$40,000 (2022 US\$21,000) accretion expense had been recognised on these loans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

NOTE 7. CONTRIBUTED EQUITY AND RESERVES

Issued and Paid Up Capital

	Number of Shares		2023	2022
	2023	2022	US\$'000	US\$'000

Ordinary shares

Issued and fully paid	2,980,146,447	2,977,779,002	2,646,644	2,645,778
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Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Recognition and measurement

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Movements in ordinary shares on issue

Date		Number of Shares	Issue Price A\$	Exchange Rate US\$: A\$	Total US\$'000
Balance 30 June 2021		2,677,756,397			2,489,082
August 2021	SARs exercised	134,674	—	—	12
September 2021	SARs exercised	95,078	—	—	9
September 2021	SARs exercised	79,804	—	—	4
October 2021	SARs exercised	174,019	—	—	6
November 2021	SARs exercised	600,000	—	—	51
January 2022	SARs exercised	101,015	—	—	8
March 2022	SARs exercised	226,903	—	—	21
April 2022	Institutional offer	277,777,778	0.72	1.31636	151,934
May 2022	Share Purchase Plan	20,833,334	0.72	1.41781	10,580
	Transaction costs				(5,929)
Balance 30 June 2022		2,977,779,002			2,645,778

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Date		Number of Shares	Issue Price A\$	Exchange Rate US\$: A\$	Total US\$'000
Balance 30 June 2022		2,977,779,002			2,645,778
September 2022	PRs exercised	100,000	—	—	59
September 2022	PRs exercised	100,000	—	—	58
September 2022	SARs exercised	100,000	—	—	9
October 2022	PRs exercised	1,095,000	—	—	649
October 2022	SARs exercised	196,828	—	—	13
November 2022	SARs exercised	500,000	—	—	43
December 2022	SARs exercised	100,000	—	—	16
January 2023	SARs exercised	126,875	—	—	11
April 2023	SARs exercised	29,662	—	—	5
May 2023	SARs exercised	19,080	—	—	3
Balance 30 June 2023		2,980,146,447			2,646,644

Reserves	Consolidation reserve US\$'000	Listed option application reserve US\$'000	Share based payment reserve US\$'000	Foreign currency translation reserve US\$'000	Financial assets at FVOCI reserve US\$'000	Premium on acquisition reserve US\$'000	Total US\$'000
Balance at 30 June 2021	48,319	137	48,042	(180,372)	10,434	14,086	(59,354)
Share-based payments	—	—	1,885	—	—	—	1,885
Foreign currency translation	—	—	—	(1,254)	—	—	(1,254)
Transfer of reserves on deregistration of subsidiaries through the income statement	—	—	—	(2,760)	—	—	(2,760)
Transfer of gain on disposal of equity investments at fair value through Other Comprehensive Income	—	—	—	—	(10,434) ¹	—	(10,434)
Balance at 30 June 2022	48,319	137	49,927	(184,386)	—	14,086	(71,917)
Share-based payments	—	—	3,226	—	—	—	3,226
Foreign currency translation	—	—	—	(870)	—	—	(870)
Revaluation of financial assets	—	—	—	—	(443)	—	(443)
Balance at 30 June 2023	48,319	137	53,153	(185,256)	(443)	14,086	(70,004)

1 Relates to the sale of 90M Lotus Resources Ltd shares

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Nature and Purpose of Reserves

Consolidation reserve

This reserve is the result of the difference between the fair value and the net assets of a reduction of interest in controlled entities where Paladin retained control.

Listed option application reserve

This reserve consists of proceeds from the issue of listed options, net of expenses of issue. These listed options expired unexercised and no restriction exists for the distribution of this reserve.

Share-based payments reserve

This reserve is used to record the value of equity benefits provided to Directors, employees and consultants as part of their remuneration.

Financial assets at fair value in other comprehensive income

This reserve records the changes in fair value of certain investments in equity securities in Other Comprehensive Income. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Foreign currency translation reserve

This reserve is used to record exchange differences arising on translation of the Group entities that do not have a functional currency of US dollars and have been translated into US dollars for presentation purposes, as described in Note 3.

Premium on acquisition reserve

This reserve represents the premium paid on the acquisition of an interest in Summit Resources Ltd.

NOTE 8. FINANCIAL RISK MANAGEMENT

Financial Risk Management Objectives and Policies

The Group's management of financial risk is aimed at ensuring net cash flows are sufficient to:

- Meet all its financial commitments; and
- Maintain the capacity to fund corporate growth activities.

The Group monitors its forecast financial position and manages funds on a group basis on a regular frequency.

Market, liquidity and credit risk (including foreign exchange, commodity price and interest rate risk) arise in the normal course of the Group's business. These risks are managed under Board approved directives which underpin practices and processes. The Group's principal financial instruments comprise interest bearing debt, cash and short-term deposits and available for sale financial assets. Other financial instruments include trade receivables and trade payables, which arise directly from operations.

Market Risk

Foreign Exchange Risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures.

Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the relevant Group company.

The Group's borrowings and deposits are largely denominated in both US and Australian dollars. Currently there are no foreign exchange hedge programmes in place. However, the Group finance function manages the purchase of foreign currency to meet operational requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

The financial instruments exposed to movements in the Australian dollar are as follows:

	2023	2022
	US\$'000	US\$'000
Financial assets		
Cash and cash equivalents	85,452	163,814
Trade and other receivables	197	201
Financial assets – held for sale	1,590	—
	87,239	164,015
Financial liabilities		
Trade and other payables	(537)	(363)
Net exposure	86,702	163,652

The following table summarises the sensitivity of financial instruments held at balance sheet date to movements in the exchange rate of the Australian dollar to the US dollar, with all other variables held constant. The 9% sensitivity is based on reasonably possible changes, over a financial year, using the observed range of actual historical rates for the preceding five year period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

	IMPACT ON PROFIT/(LOSS)		IMPACT ON EQUITY	
	2023	2022	2023	2022
	US\$'000	US\$'000	US\$'000	US\$'000
Post-tax gain/(loss)				
AUD/USD +9% (2022: +9%)	6,002	11,330	110	—
AUD/USD -9% (2022: -9%)	(5,011)	(9,459)	(92)	—

The financial instruments exposed to movements in the Namibian dollar against the USD are as follows:

	2023	2022
	US\$'000	US\$'000
Financial assets		
Cash and cash equivalents	1,988	332
Trade and other receivables	2,345	139
	4,333	471
Financial liabilities		
Trade and other payables	(8,297)	(265)
Net exposure	(3,964)	206

The following table summarises the sensitivity of financial instruments held at balance sheet date to movements in the exchange rate of the Namibian dollar to the US dollar, with all other variables held constant. The 14% sensitivity is based on reasonably possible changes, over a financial year, using the observed range of actual historical rates for the preceding five year period.

	IMPACT ON PROFIT/(LOSS)	
	2023	2022
	US\$'000	US\$'000
Post-tax gain/(loss)		
NAD/USD +14% (2022: +17%)	(403)	26
NAD/USD -14% (2022: -17%)	304	(18)

Interest Rate Risk

Interest rate risk is the risk that the Group's financial position will be adversely affected by movements in interest rates that will increase the cost of floating rate debt, create opportunity losses on fixed rate borrowings in a falling interest rate environment or reduce interest income.

The interest rate risk on cash balances is not considered material. Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

The interest rate risk on interest-bearing liabilities is not considered to be a material risk. These loans represent the 25% of intercompany shareholder loans owing by LHU to Paladin Finance Pty Ltd (PFPL) that were assigned to CNNC upon the sale of a 25% interest in LHMHL to CNNC in 2014. These loans maintain the same conditions as the intercompany shareholder loans and have a range of fixed and floating rates. During the previous two years, certain shareholder loans were extended with revised conditions or entered into. Note 6 details the impact of these arrangements. All other financial assets and liabilities in the form of receivables, investments in shares, payables and provisions, are non-interest bearing.

The Group currently does not engage in any hedging or derivative transactions to manage interest rate risk.

The floating rate financial instruments exposed to interest rate movements are as follows:

	2023 US\$'000	2022 US\$'000
Financial assets		
Cash and cash equivalents	126,636	177,066
Restricted cash	1,014	1,000
	127,650	178,066
Financial liabilities		
Interest-bearing liabilities	(58,912)	(52,732)
Net exposure	68,738	125,334

Market Price Risk

Price risk is the risk that the Group's financial position will be adversely affected by movements in the market value of its available-for-sale financial assets.

The financial instruments exposed to movements in market value are as follows:

	2023 US\$'000	2022 US\$'000
Financial assets		
Financial assets – held for sale	1,590	—

The following table summarises the sensitivity of financial instruments held at balance date to movements in the market price of available-for-sale financial instruments, with all other variables held constant. The 25% sensitivity is based on reasonable possible changes, over a financial year, using the observed range of actual historical prices.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

	IMPACT ON EQUITY	
	2023	2022
	US\$'000	US\$'000
Post-tax gain/(loss)		
Market price +25% (2022: +25%)	278	—
Market price -25% (2022: -25%)	(278)	—
Post-tax impact on reserve		
Market price +25% (2022: +25%)	278	—
Market price -25% (2022: -25%)	(278)	—

Liquidity Risk

The liquidity position of the Group is managed to ensure sufficient liquid funds are available to meet the Group's financial commitments in a timely and cost effective manner. The Group finance function continually reviews the Group's liquidity position including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels. Sensitivity analysis is conducted on a range of pricing and market assumptions to ensure the Group has the ability to meet commitments. This enables the Group to manage cash flows on a long term basis and provides the flexibility to pursue a range of funding alternatives if necessary. Note 6 details the repayment obligations in respect of the amount of the shareholder loan facilities.

The maturity profile of the Group's payables based on contractual undiscounted payments is as follows:

	PAYABLES MATURITY ANALYSIS				
	Total	<1 year	1-2 years	2-3 years	>3 years
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
2023					
Trade and other payables	9,094	9,094	—	—	—
LHU's loans from CNNC — principal	81,824	—	—	—	81,824
Interest payable on CNNC loans	31,331	—	—	—	31,331
Total payables	122,249	9,094	—	—	113,155
2022					
Trade and other payables	2,211	2,211	—	—	—
LHU's loans from CNNC — principal	81,739	—	—	—	81,739
Interest payable on CNNC loans	27,766	—	—	—	27,766
Total payables	111,716	2,211	—	—	109,505

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Credit Risk

Credit risk arises from cash and cash equivalents, contractual cash flows from other receivables carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to trade receivables. Credit risk is the risk that a contracting entity will not complete its obligation under a financial instrument that will result in a financial loss to the Group. The carrying amount of financial assets represents the maximum credit exposure. The Group's receivables are due from recognised, creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis.

While cash and cash equivalents are also subject to the impairment requirements of AASB 9 the identified impairment loss is expected to be immaterial.

The maximum exposure to credit risk at the reporting date is set out below.

	2023 US\$'000	2022 US\$'000
Current		
Cash and cash equivalents ¹	126,636	177,066
Restricted cash ²	1,014	1,000
Trade and other receivables – other entities	445	4,989
	128,095	183,055
Non-Current		
Trade and other receivables – other entities	355	194
Total	128,450	183,249

1 The Group's maximum deposit with a single financial institution represents 52% (2022: 49%) of cash and cash equivalents. This financial institution has a credit rating of Aa3 (2022: Aa3).

2 Restricted cash is held in Namibia, this financial institution has a credit rating of Ba2 (2022: Ba2).

	Total US\$'000	<1 year US\$'000	1-2 years US\$'000	2-3 years US\$'000
2023				
Trade receivables	164	—	164	
Other receivables	636	445	191	—
Total receivables	800	445	355	—
2022				
Other receivables	5,183	4,989	194	—
Total receivables	5,183	4,989	194	—

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

For Other Receivables, the Group considers the probability of default upon the initial recognition of an asset. The Group also considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company:

- compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition
- considers available reasonable and supportive forwarding-looking information in calculating the expected credit loss rates.

Where possible, the Group has applied an expected credit loss based on industry provided information.

Fair Values

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below:

	Year ended 30 June 2023				Year ended 30 June 2022			
	(Level 1)	(Level 2)	(Level 3)	Total	(Level 1)	(Level 2)	(Level 3)	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Financial assets for which fair values are disclosed								
Australia listed shares	1,590	—	—	1,590	—	—	—	—
Share receivables	—	—	—	—	—	—	1,926	1,926
Cash receivables	—	—	—	—	—	—	2,796	2,796
Total financial assets	1,590	—	—	1,590	—	—	4,722	4,722

Quoted market price represents the fair value determined based on quoted prices on active markets as at the reporting date without any deduction for transaction costs. The fair value of the listed equity investments is based on quoted market prices which are classified as Level 1 inputs.

For financial instruments not quoted in active markets, the Group uses valuation techniques such as present value techniques, comparison to similar instruments for which market observable prices exist and other relevant models used by market participants. These valuation techniques use both observable (Level 2) and unobservable (Level 3) market inputs.

For financial instruments that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Due to the short-term nature of some of the non-current other receivables, their carrying amount is considered to be the same as their fair value.

Capital Management

When managing capital, management's objective is to ensure adequate cash resources to meet the Company's commitments are maintained, as well as to maintain optimal returns to shareholders through ensuring the lowest cost of capital available to the entity.

The Company utilises a combination of debt and equity to provide the cash resources required. Management reviews the capital structure from time to time as appropriate.

The Group finance function is responsible for the Group's capital management, including management of long-term debt and cash as part of the capital structure. This involves the use of corporate forecasting models which enable analysis of the Group's financial position including cash flow forecasts to determine the future capital management requirements. To ensure sufficient funding for operational expenditure and growth activities, a range of assumptions are modelled so as to provide the flexibility in determining the Group's optimal future capital structure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

	2023	2022
	US\$'000	US\$'000
Debt (face value plus accrued interest) ¹	—	—
Less cash and cash equivalents	(126,636)	(177,066)
Net Debt	(126,636)	(177,066)
Total equity	335,084	358,412
Total Capital	208,448	181,346
Gearing Ratio (defined as net debt/total capital)	0%	0%

¹ Excludes LHU's loans from CNNC that were assigned by PFPL to CNNC and form part of CNNC's 25% interest in LHU as the Group views these as shareholder loans to LHU.

PERFORMANCE FOR THE YEAR

NOTE 9. REVENUE

	2023	2022
	US\$'000	US\$'000
Sale of uranium	—	4,700
Total	—	4,700

During FY2022 the Company participated in a uranium spot trading opportunity.

Recognition and Measurement

Amounts disclosed as revenue are net of duties and taxes paid. The Group's main source of revenue is the sale of uranium, however the Restart Project at the Langer Heinrich Mine means minimal revenue is being generated. Revenue is measured based on the consideration specified in a contract with a customer. The Group's sales arrangements with its customers are pursuant to enforceable contracts that provide for the nature and timing of satisfaction of performance obligations, including payment terms and payment due dates. Each delivery is considered a separate performance obligation under the contract.

The Group recognises revenue when it transfers control over a good or service to a customer. The Group has concluded that this occurs on the delivery of the product to the customer at the converter. When uranium is delivered to converters, the converter will credit the Group's account for the volume of accepted uranium. Based on delivery terms in the sales contract with its customer, the converter will transfer the title of a contractually specified quantity of uranium to the customer's account at the converter's facility. At this point, control has been transferred and the Group recognises revenue for the uranium supply.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

NOTE 10. INCOME AND EXPENSES

	2023	2022
	US\$'000	US\$'000
Cost of Sales		
Inventory purchased	—	(4,693)
Total	—	(4,693)
Other income		
Interest income	4,535	852
Sundry income	161	159
	4,696	1,011
Other losses		
Net loss on disposal of property, plant and equipment	(512)	(12)
Foreign exchange gain/(loss) (net)	584	(8,179)
Administration, Marketing and Non-Production Costs		
Corporate and marketing	(3,353)	(2,694)
Corporate restructure costs	—	(29)
LHM mine site	(6,669)	(3,727)
LHM depreciation	(2,738)	(15,106)
Share based payments	(4,092)	(1,997)
Other	(612)	(206)
Total	(17,464)	(23,759)
Finance Costs		
LHU's loans from CNNC	(3,564)	(3,111)
Accretion expense on shareholder loans	(7,501)	(6,537)
Mine closure provision accretion expense	(3,249)	(3,306)
Lease interest expense	(48)	(52)
Total	(14,362)	(13,006)
Total depreciation and amortisation expense	(2,909)	(15,310)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Recognition and Measurement

Borrowing Costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

Other borrowing costs are expensed as incurred including the unwinding of discounts related to mine closure provisions. When relevant, the capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's outstanding borrowings during the year.

	2023	2022
Employee Benefits Expense	US\$'000	US\$'000
Wages and salaries	(2,829)	(2,612)
Defined contribution superannuation	(313)	(318)
Share-based payments	(4,092)	(1,997)
Other employee benefits	(1,244)	(496)
Total	(8,480)	(5,423)

The table above sets out personnel costs expensed during the year and are included within Administration, Marketing and Non-Production Costs within the Consolidated Income Statement.

NOTE 11. INCOME AND OTHER TAXES

	2023	2022
	US\$'000	US\$'000
Income Tax Expense		
<i>Current income tax</i>		
Current income tax expense	—	1
Income tax expense reported in the Consolidated Income Statement	—	1
Amounts Charged or Credited Directly to Equity		
<i>Deferred income tax related to items charged or credited directly to equity:</i>		
Capital gain on sale of investments for sale	373	—
Fair value adjustment to CNNC Loans	—	(193)
Capital gains applied	(373)	—
Tax losses recognised to offset fair value adjustment	—	193
Income tax benefit reported in equity	—	—
Numerical Reconciliation of Income Tax Benefit to Prima Facie Tax Payable		
Loss before income tax expense from continuing operations	(27,058)	(43,938)
Tax at the Australian tax rate of 30% (2022 – 30%)	(8,117)	(13,182)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

	2023 US\$'000	2022 US\$'000
Difference in overseas tax rates	(4,917)	(1,223)
Non-deductible items	989	730
Under/over prior year adjustment	—	—
Previously unrecognised tax losses now recouped to reduce current tax expense	(3,137)	—
Deferred tax assets on losses not recognised	15,182	13,676
Income tax expense reported in the Consolidated Income Statement	—	1

Tax Losses	2023 US\$'000	2022 US\$'000
Australian unused tax losses and capital losses for which no deferred tax asset has been recognised ¹	(707,638)	(741,735)
Other unused tax losses for which no deferred tax asset has been recognised ²	(364,508)	(373,531)
Total unused tax losses for which no deferred tax asset has been recognised	(1,072,146)	(1,115,266)

The gross value of unused capital losses for which no deferred tax asset has been recognised are US\$652.0M (2022: US\$660.4M). These unrecognised capital losses were predominantly generated from the sale of Paladin (Africa) Ltd. The benefit of these unused capital losses will only be obtained if sufficient future capital gains are made and the losses remain available under tax legislation.

Deferred Income Tax

Deferred tax liabilities

Accelerated prepayment deduction for tax purposes	(26)	(297)
Accelerated depreciation for tax purposes	(59,949)	(65,977)
Exploration expenditure	(3,719)	(3,578)
Inventory / Consumables	(2,939)	(3,144)
Other	(81,883)	(4,006)
Gross deferred tax liabilities	(148,516)	(77,002)
Set off of deferred tax assets	148,516	77,002
Net deferred tax liabilities	—	—

Deferred tax assets

Revenue losses available for offset against future taxable income	170,989	163,427
Foreign currency balances	116,868	48,487
Interest bearing liabilities	12,491	33,600

¹ Including tax losses transferred from Summit Resources Limited on consolidation.

² Excluding tax losses from discontinued operation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Tax Losses	2023	2022
	US\$'000	US\$'000
Provisions	8,224	7,443
Other	4,085	3,118
Australian Group deferred tax asset on carried forward losses	(3,137)	—
Deferred tax assets not recognised	(161,004)	(179,073)
Gross deferred tax assets	148,516	77,002
Set off against deferred tax liabilities	(148,516)	(77,002)
Net deferred tax assets recognised	—	—

Paladin and all its wholly owned Australian resident entities are part of a tax-consolidated group under Australian tax law. The net deferred tax assets recognised are in respect of revenue losses expected to be offset against future taxable income.

This benefit for tax losses will only be obtained if:

1. The Consolidated Entities derive future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
2. The Consolidated Entities continue to comply with the conditions for deductibility imposed by tax legislation; and
3. No changes in tax legislation adversely affect the Consolidated Entities in realising the benefit from the deductions for the losses.

Recognition and Measurement

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity respectively and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to integration and establishes provisions where appropriate.

Deferred tax assets and liabilities are recognised using the full liability method for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity. Deferred tax assets and liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

NOTE 12. EARNINGS PER SHARE

	2023	2022
	US cents	US cents
Loss per share attributable to ordinary equity holders of the Parent from continuing operations	(0.4)	(1.0)

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	2023	2022
	US\$'000	US\$'000
Net loss attributable to ordinary equity holders of the Parent from continuing operations	(10,572)	(26,743)

	2023	2022
	Number of Shares	Number of Shares
Weighted average number of ordinary shares used in calculation of basic earnings per share	2,979,391,490	2,747,439,635
Weighted average number of ordinary shares used in calculation for diluted earnings per share	2,996,683,791	2,759,963,496
Total number of securities not included in weighted average calculation due to their antidilutive nature in the current period, that could potentially dilute basic earnings per share in the future	17,292,302	12,523,861

Recognition and Measurement

Basic Earnings Per Share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. Diluted earnings per share is the same as basic earnings per share in 2023 and 2022 as the number of potentially dilutive shares does not change the result of earnings per share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

NOTE 13. RECONCILIATION OF EARNINGS AFTER INCOME TAX TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	US\$'000	US\$'000
Reconciliation of Net Loss After Tax to Net Cash Flows Used in Operating Activities		
Net loss	(27,058)	(43,939)
<i>Adjustments for</i>		
Depreciation and amortisation	2,909	15,310
Exploration Expenditure	441	—
Sundry income	(421)	(642)
Loss on disposal of property, plant and equipment	512	12
Net exchange differences	(580)	8,206
Share-based payments	4,092	1,997
Non-cash financing costs	6,862	6,470
Accretion expense on shareholder loan	7,501	6,537
<i>Changes in operating assets and liabilities</i>		
(Increase) in prepayments	(977)	(4)
(Increase) in trade and other receivables	(2,507)	(55)
(Increase)/Decrease in inventories	(546)	23
Increase/(Decrease) in trade and other payables	413	(641)
(Decrease) in provisions	(16)	(68)
Net cash flows used in operating activities	(9,375)	(6,794)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

OPERATING ASSETS AND LIABILITIES

NOTE 14. TRADE AND OTHER RECEIVABLES

	Notes	2023 US\$'000	2022 US\$'000
Current			
Trade receivables and other receivables	A	445	4,989
GST and VAT	B	2,311	95
Total current receivables		2,756	5,084
Non-Current			
Trade receivables and other receivables	A	355	—
Long term deposits	C	—	194
Total non-current receivables		355	194

- A. Trade receivables are non-interest bearing. Carrying value approximates fair value due to the short-term nature of the receivables. Other receivables are amounts that generally arise from transactions outside the usual operating activities of the Group.

Included in FY2022, receivables from the sale of Paladin (Africa) Limited were:

- A\$3M shares in Lotus Resources Ltd issued 13 March 2023;
- US\$3M repayment of the environmental performance bond paid 13 March 2023.

Future shares - Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains/ (losses) in the statement of profit or loss as applicable.

Future cash receivables - An expected credit loss model is used for calculating an allowance for doubtful debts. Details about the Group's impairment policies and the calculation of the expected credit loss are provided in Note 8.

- B. GST and VAT receivables relates to amounts due from Governments in Australia, Namibia and Canada.
- C. Long term deposits relates to guarantees provided by a bank for the corporate office lease, tenements and corporate credit cards.

Recognition and Measurement

Trade Receivables

Receivables are initially recognised at fair value and subsequently at the amounts considered receivable. Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Due to the short-term nature of the current receivables, their carrying amount is assumed to approximate fair value.

Other Receivables

These amounts generally arise from transactions outside the usual operating activities of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

The Group assesses on a forward-looking basis the expected credit loss associated with its financial instruments carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

NOTE 15. PREPAYMENTS

	2023	2022
	US\$'000	US\$'000
Current		
Advance payments	9,027	—
Prepayments	2,100	1,263
Total prepayments	11,127	1,263

Advance payments reflect payments made to suppliers in relation to the LHM Restart Project. These payments are taken to Capital Work in Progress when services have been provided.

NOTE 16. INVENTORIES

	2023	2022
	US\$'000	US\$'000
Current		
Stores and consumables (at cost)	5,646	5,100
Total current inventories at the lower of cost and net realisable value	5,646	5,100

Inventory Expense

Uranium inventories purchased for subsequent sale by the Group during the year ended 30 June 2023 were recognised as an expense totalling US\$Nil (2022: US\$4,692,500).

Write-down of Inventories

During 2023 stores and consumables held at LHM were written down by US\$32,588 (2022: US\$5,411) due to obsolescence.

Recognition and Measurement

Consumable stores inventory are valued at the lower of cost and net realisable value using the weighted average cost method, after appropriate allowances for redundant and slow moving items.

Finished goods and work in progress inventory are valued at the lower of cost and net realisable value using the weighted average cost method. Cost is derived on an absorption costing basis, including both fixed and variable production costs and attributable overheads incurred up to the delivery point where legal title to the product passes. No accounting value is attributed to stockpiles containing ore at less than the cut-off grade.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

The costs of production include labour costs, materials and contractor expenses which are directly attributable to the extraction and processing of ore (including any recognised expense of stripping costs); the depreciation of property, plant and equipment used in the extraction and processing of ore; and production overheads.

Significant Estimates and Assumptions

Net Realisable Value of Inventories

The Group reviews the carrying value of inventories regularly to ensure that their cost does not exceed net realisable value. In determining net realisable value various factors are taken into account, including sales prices and costs to complete inventories to their final form.

During 2016, the carrying value of ore stockpiles held at LHM was reduced to net realisable value resulting in an impairment loss of US\$168.9M (2015: US\$Nil) for the year, recognised in other expenses. Subsequent to 30 June 2016 some of the stockpile was processed leaving a residual of 6.3M tonnes. The net realisable value of the ore stockpiles is dependent on a number of key factors including: uranium price, future processing costs, grade and recovery rates. As at 30 June 2023 the LHM Restart Project is still underway. The Company is assessing the timing of the reversal of the impairment and the net realisable value of the inventory.

NOTE 17. FINANCIAL ASSETS – HELD FOR SALE

	2023	2022
	US\$'000	US\$'000
Current financial assets	1,590	—

The Group has an investment in Lotus Resources Limited at 30 June 2023 of 12,987,000 shares (2022: Nil) issued at A\$0.23 per share as part of the final consideration in relation to the sale of Paladin (Africa) Ltd to Lotus Resources Ltd. At 30 June 2023 the market value of these shares is US\$1.5M (A\$2.4M) (2022: US\$Nil: A\$Nil) based on a share price of \$A0.185 per share.

Recognition and Measurement

Financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset.

Equity Instruments

The Group measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Consolidated Income Statement following the derecognition of the investment. Dividends from such investments continue to be recognised in the Consolidated Income Statement as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the Consolidated Income Statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

NOTE 18. PROPERTY, PLANT AND EQUIPMENT

	Total	Plant and Equipment	Land and Buildings	Construction Work in Progress
	US\$'000	US\$'000	US\$'000	US\$'000
2023				
Net carrying value				
At 1 July 2022	166,274	160,634	4,044	1,596
Additions	34,997	303	44	34,650
Depreciation and amortisation expense	(2,768)	(2,738)	(30)	—
Reclassification	—	603	—	(603)
Disposals	(571)	(266)	(305)	—
Foreign currency translation	(4)	(4)	—	—
At 30 June 2023	197,928	158,532	3,753	35,643
Cost	384,866	339,813	9,410	35,643
Accumulated depreciation	(186,938)	(181,281)	(5,657)	—
2022				
Net carrying value				
At 1 July 2021	178,089	172,925	4,408	756
Additions	1,015	175	—	840
Depreciation and amortisation expense	(12,812)	(12,448)	(364)	—
Disposals	(12)	(12)	—	—
Foreign currency translation	(6)	(6)	—	—
At 30 June 2022	166,274	160,634	4,044	1,596
Cost	362,863	351,407	9,860	1,596
Accumulated depreciation	(196,589)	(190,773)	(5,816)	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Property, Plant and Equipment Pledged as Security for Liabilities

No property, plant and equipment has been pledged as security.

Recognition and Measurement

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Consolidated Income Statement during the financial period in which they are incurred.

Property, plant and equipment costs include both the costs associated with construction of equipment associated with establishment of an operating mine, and the estimated costs of dismantling and removing the asset and restoring the site on which it is located.

Land is not depreciated. Depreciation on other assets is calculated using the unit of production basis or the straight line method to allocate their cost amount, net of their residual values, over their estimated useful lives, as follows:

• Buildings	20 years
• Databases	10 years
• Plant and equipment	2-6 years
• Leasehold improvements	period of lease
• Mine plant and equipment	remaining useful life of the assets

The estimates of useful lives, residual values and depreciation method are reviewed at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.

Significant Estimates and Assumptions

Change in Accounting Estimate

As a result of the decision to return the LHM to production, there has been a change in the basis for depreciating the LHM Plant. Whilst the LHM was in Care and Maintenance, relevant tangible non-current assets were depreciated using the Straight Line method. From 1 July 2022, the basis of depreciation has changed prospectively to the units of production method over the remaining useful life of the assets resulting in a nil depreciation charge for those assets for the period. This has resulted in a reduction in depreciation charges of US\$9,722,000 for the period.

Impairment of Property, Plant and Equipment; Mine Development and Intangibles

Property, plant and equipment; mine development and intangibles are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

The Group conducts an internal review of asset values at each reporting date, which is used as a source of information to assess for any indicators of impairment. Factors, such as changes in uranium prices, production performance and mining and processing costs are monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating unit or CGU).

The future recoverability of the property, plant and equipment, mine development and intangibles is dependent on a number of key factors including: uranium price, capex, life of mine, restart date, discount rates used in determining the estimated discounted cash flows, foreign exchanges rates, tax rates, the level of proved and probable reserves and measured, indicated and inferred mineral resources, future technological changes which could impact the cost of production and future legal changes, including changes to environmental restoration obligations.

Paladin did not identify any impairment indicators in relation to the Langer Heinrich Mine CGU.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

NOTE 19. MINE DEVELOPMENT

	2023	2022
	US\$'000	US\$'000
Mine development – at cost	70,180	63,091
Less accumulated depreciation and impairment	(48,116)	(48,116)
Net carrying value – mine development	22,064	14,975
Net carrying value at start of year	14,975	16,748
Depreciation and amortisation expense	—	(1,773)
Transfer from Exploration & Evaluation assets on commencement of Restart Project	7,089	—
Net carrying value at end of year	22,064	14,975

Recognition and Measurement

Mine development

Pre-production costs are deferred as development costs until such time as the asset is capable of being operated in a manner intended by management and depreciated on a straight line basis. Post-production costs are recognised as a cost of production.

Significant Judgements, Estimates and Assumptions

Change in Accounting Estimate

As a result of the decision to return the LHM to production, there has been a change in the basis for depreciating the LHM Plant. Whilst the LHM was in Care and Maintenance, relevant tangible non-current assets were depreciated using the Straight Line method. From 1 July 2022, the basis of depreciation has changed prospectively to the units of production method over the remaining useful life of the assets resulting in a nil depreciation charge for those assets for the period. This has resulted in a reduction in depreciation charges of US\$1,773,000 for the period.

Proved and Probable Reserves

The Group uses the concept of a life of mine as an accounting value to determine such things as depreciation rates and the appropriate period to discount mine closure provisions. In determining life of mine, the proved and probable reserves measured in accordance with the 2012 edition of the JORC Code specific to a mine are taken into account which by their very nature require judgements, estimates and assumptions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

NOTE 20. EXPLORATION AND EVALUATION EXPENDITURE

The following table details the expenditures on interests in mineral properties by area of interest for the year ended 30 June 2023:

Areas of interest	Valhalla/ Skal US\$'000	Isa North US\$'000	Carley Bore US\$'000	Canada US\$'000	Manyingee US\$'000	Fusion US\$'000	LHM US\$'000	Total US\$'000
Balance 1 July 2021	39,520	7,802	7,917	31,340	7,524	228	5,226	99,557
Expenditure capitalised	116	280	48	502	112	89	1,863	3,010
Foreign exchange differences	—	—	—	(1,240)	—	—	—	(1,240)
Balance 30 June 2022	39,636	8,082	7,965	30,602	7,636	317	7,089	101,327
Expenditure capitalised	99	187	32	1,470	81	74	—	1,943
Expenditure transferred to Mine Development costs	—	—	—	—	—	—	(7,089)	(7,089)
Foreign exchange differences	—	—	—	(860)	—	—	—	(860)
Balance 30 June 2023	39,735	8,269	7,997	31,212	7,717	391	—	95,321

Recognition and Measurement

Exploration and evaluation expenditure related to areas of interest is capitalised and carried forward to the extent that:

1. Rights to tenure of the area of interest are current; and
2. Costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively by its sale.

Exploration and evaluation expenditure is allocated separately to specific areas of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure directly related to activities in the area of interest.

Costs related to the acquisition of properties that contain Mineral Resources are allocated separately to specific areas of interest.

If costs are not expected to be recouped through successful development and exploitation of the area of interest, or alternatively by sale, costs are expensed in the period in which they are incurred.

Exploration and evaluation expenditure that is capitalised is included as part of cash flows from investing activities, whereas exploration and evaluation expenditure that is expensed is included as part of cash flows from operating activities.

When a decision to proceed to development is made, the exploration and evaluation capitalised to that area is transferred to mine development. All costs subsequently incurred to develop a mine prior to the start of mining operations within the area of interest are capitalised and carried at cost. These costs include expenditure incurred to develop new ore bodies within the area of interest, to define further mineralisation in existing areas of interest, to expand the capacity of a mine and to maintain production.

Capitalised amounts for an area of interest may be written down to their recoverable amount if the area of interest's carrying amount is greater than their estimated recoverable amount.

Since 30 June 2022, there have been no events or changes in circumstances to indicate that the carrying value may not be recoverable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

NOTE 21. INTANGIBLE ASSETS

	2023	2022
	US\$'000	US\$'000
At 30 June		
Intangible assets – at cost	17,803	17,803
Less accumulated depreciation and impairment	(10,010)	(10,010)
Net carrying value – intangible assets	7,793	7,793

No amortisation for the year ended 30 June 2023 (2022: US\$519,000) is included in non-production costs in the Consolidated Income Statement as a result of the decision to restart the LHM.

Movements in Intangible Assets

Movements in each group of intangible asset during the financial year are set out below:

	Right to Supply of Power	Right to Supply of Water	Total
	US\$'000	US\$'000	US\$'000
2023			
Net carrying value at 1 July 2022	2,183	5,610	7,793
Amortisation expense	—	—	—
Net carrying value at 30 June 2023	2,183	5,610	7,793
2022			
Net carrying value at 1 July 2021	2,328	5,984	8,312
Amortisation expense	(145)	(374)	(519)
Net carrying value at 30 June 2022	2,183	5,610	7,793

Description of the Group's Intangible Assets

1. *Right to supply of power*

LHU has entered into a contract with NamPower in Namibia for the right to access power at the LHM. In order to obtain this right, the power line connection to the mine was funded by LHU. However, ownership of the power line rests with NamPower. The amount funded is being amortised on a straight line basis.

2. *Right to supply of water*

LHU has entered into a contract with NamWater in Namibia for the right to access water at LHM. In order to obtain this right, the water pipeline connection to the mine was funded by LHU. However, ownership of the pipeline rests with NamWater. The amount funded is being amortised on a straight line basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Recognition and Measurement

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Consolidated Income Statement in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on the intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

A summary of the policies applied to the Group's intangible assets is as follows:

Right to use water and power supply

Useful lives	Life of mine
Amortisation method used	Straight line method over the remaining useful life (16 years). The amortisation method is reviewed at each financial year-end.
Impairment testing	Annually and more frequently when an indication of impairment exists.

Significant Judgements, Estimates and Assumptions

Change in Accounting Estimate

As a result of the decision to return the LHM to production, there has been a change in the basis for depreciating the LHM Plant. Whilst the LHM was in Care and Maintenance, relevant tangible non-current assets were depreciated using the Straight Line method. From 1 July 2022, the basis of depreciation has changed prospectively to the units of production method over the remaining useful life of the assets resulting in a US\$Nil depreciation charge for those assets for the period. This has resulted in a reduction in amortisation charges of US\$519,000 for the period.

NOTE 22. TRADE AND OTHER PAYABLES

	2023	2022
	US\$'000	US\$'000
Current		
Trade and other payables	9,094	2,211
Total current payables	9,094	2,211

Trade payables are unsecured, non-interest bearing and are normally settled on 30 day terms.

Recognition and Measurement

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

NOTE 23. PROVISIONS

	2023 US\$'000	2022 US\$'000
Current		
Employee benefits	331	335
Total current provisions	331	335
Non-Current		
Employee benefits	124	136
Environmental rehabilitation provision	37,925	40,407
Total non-current provisions	38,049	40,543

Movements in Provisions

Movements in provisions during the financial year, excluding provisions relating to employee benefits, are set out below:

	Environmental Rehabilitation US\$'000
At 1 July 2022	40,407
Change in cost estimates	3,091
Impact of changes to discount and inflation rates	2,883
Unwinding of discount rate	3,249
Impact of discounting on changes to cost estimates and timing changes	(5,974)
Foreign currency movements	(5,731)
At 30 June 2023	37,925

Nature and Timing of Provisions

Environmental rehabilitation

A provision for environmental rehabilitation and mine closure has been recorded in relation to the LHM. A provision is made for rehabilitation work when the obligation arises and this is recognised as a cost of production or development as appropriate. Additionally, the provision includes the costs of dismantling and demolition of infrastructure or decommissioning, the removal of residual material and the remediation of disturbed areas specific to the infrastructure to a state acceptable to various authorities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Recognition and Measurement

Provisions

Mine closure and restoration costs include the costs of dismantling and demolition of infrastructure or decommissioning, the removal of residual material and the remediation of disturbed areas specific to the infrastructure. Mine closure costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the mine development or during the production phase, based on the net present value of estimated future costs.

As the value of the provision for mine closure represents the discounted value of the present obligation to restore, dismantle and close the mine, the increase in this provision due to the passage of time is recognised as a finance cost. The discount rate used is a pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the liability. Foreign exchange movements are treated as a finance component and recognised in the Consolidated Income Statement.

Provision is made for rehabilitation work when the obligation arises, and this is recognised as a cost of production or development. The rehabilitation costs provided for are the present value of the estimated costs to restore operating locations. The value of the provision represents the discounted value of the current estimate to restore and the discount rate used is the pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

Employee benefits

Short-term benefits

Liabilities for short-term benefits, including wages and salaries, and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised as a current liability in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Long Service Leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Significant Accounting Judgements, Estimates and Assumptions

Environmental rehabilitation provision

The value of this provision represents the discounted value of the present obligation to rehabilitate the mine and to restore, dismantle and close the mine. The discounted value reflects a combination of management's assessment of the cost of performing the work required, the timing of the cash flows and the discount rate. A change in any, or a combination, of the three key assumptions (estimated cash flows, discount rates or inflation rates), used to determine the provision could have a material impact to the carrying value of the provision.

NOTE 24. EMPLOYEE SHARE RIGHTS PLAN

In 2009, Paladin implemented an Employee Performance Share Rights Plan (the 2009 Employee Share Rights Plan) together with a Contractor Performance Share Rights Plan (the Contractor Rights Plan). These plans are referred to jointly as the Rights Plans and were reaffirmed by shareholders at the 2018 Annual General Meeting. The Rights Plans terms were amended and approved by shareholders at the 2020 Annual General Meeting (2020 Employee Share Rights Plan).

The Rights Plan are the mechanism under which Employees have been awarded:

- Performance Rights (PRs)
- Long Term Incentive Plan Performance Rights (LTIP)
- Share Appreciation Rights (SARs), (previous incentive grant – no longer utilised for new incentive grants)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

(a) Description of share based payment arrangements

(i.) Performance Rights

Performance Rights (PRs) were issued to Executives appointed in FY2022 and FY2023 at the commencement of their employment. These PRs were provided as a mechanism to attract and retain Executives in the current market. These PRs have a two-year vesting period and are contingent on continued employment with the Company.

PRs were also issued to employees in FY2022 and FY2023 as a mechanism to attract and retain employees in the current market. These PRs have a 12 month and 24 month vesting period and are contingent on continued employment with the Company.

(ii.) Long-Term Incentive Plan (LTIP)

The LTI is an 'at-risk' component of the remuneration intended to align the interests of Executive KMP with long-term shareholder returns. It is an equity-based award designed to attract, motivate and retain employees. The PRs issued as part of the LTIP vest over a three year period. Performance measures include both a component related to a service period and a component related to Total Shareholder Return (rTSR) as it aligns participants' remuneration with the return received by shareholders and reflects creation of shareholder value compared to peers.

(iii.) Share Appreciation Rights (SARs)

Paladin has historically granted SARs to employees including Executives under the Rights Plan. The SARs carry no dividend or voting rights. When exercisable, each SAR is convertible into one ordinary share of Paladin Energy Ltd.

The exercise price of SARs is based on the weighted average price at which the Company's shares are traded on the Australian Securities Exchange during the five business days up to and including the date of grant.

(b) Recognition and Measurement

The fair value at grant date of SARs and PRs is charged to the Consolidated Income Statement, net of tax, over the period for which the benefits of employee services are expected to be derived. The corresponding accrued employee entitlement is recorded in the share based payments reserve.

Where awards are forfeited because non-market based vesting conditions are not satisfied, the expense previously recognised is proportionally reversed. If awards do not vest due to a market performance condition not being met, the expense is recognised in full, and the share awards reserve is released to retained earnings.

The fair value of SARs is measured using a Black Scholes methodology. This model considers the following:

- Expected life of the award;
- Current market price of the underlying shares;
- Expected volatility;
- Expected dividends; and
- Risk-free interest rate

The PRs subject to non-market conditions have been valued with reference to the Paladin share price on grant date.

The PRs subject to rTSR conditions have been independently valued using a hybrid employee share option pricing model which uses a correlated simulation that simultaneously calculates the returns from the Company's and the individual peer group companies' rTSR (for Peer Groups 1 and 2) on a risk-neutral basis as at the vesting date with regards to the remaining performance measurement period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

(c) Reconciliation of employee share rights

Share Rights	Rights at the beginning of the year	Granted during the period	Exercised during the period	Forfeited during the period	Lapsed during the period	Rights at the end of the year
Performance Rights	3,540,000	2,870,000	(1,295,000)	(380,000)	—	4,735,000
LTIP Performance Rights	5,660,640	5,310,021	—	(798,334)	—	10,172,327
Share Appreciation Rights	4,050,250	—	(1,171,750)	—	—	2,878,500
Total	13,250,890	8,180,021	(2,466,750)	(1,178,334)	—	17,785,827

The weighted average share price of PRs exercised during the year was US\$0.59 (A\$0.78) and for the SARS was US\$0.52 (A\$0.79).

(d) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were as follows:

	2023 US\$'000	2022 US\$'000
Performance Rights	2,039	1,151
LTIP — Performance Rights	2,039	765
Share Appreciation Rights	14	81
Total share based payment expense	4,092	1,997

OTHER NOTES

NOTE 25. KEY MANAGEMENT PERSONNEL

Details of Key Management Personnel

1 Directors

Mr Cliff Lawrenson	Chair (Non-Executive)
Mr Peter Watson	Director (Non-Executive)
Mr Peter Main	Director (Non-Executive)
Ms Melissa Holzberger	Director (Non-Executive)
Ms Joanne Palmer	Director (Non-Executive)
Dr Jon Hronsky	Director (Non-Executive) (appointed 20 March 2023)
Mrs Lesley Adams	Director (Non-Executive) (appointed 22 May 2023)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

2 Executives

Mr Ian Purdy	Chief Executive Officer
Ms Anna Sudlow	Chief Financial Officer
Mr Paul Hemburrow	Chief Operating Officer (appointed 1 February 2023)
Mr Jonathon Clements	Senior Vice President - Projects & Development (resigned 31 July 2022)
Mr Jess Oram	General Manager Exploration
Mr Alex Rybak	Chief Commercial Officer

Compensation of Key Management Personnel: Compensation by Category

	2023	2022
	US\$	US\$
Short-term employee benefits	1,581,346	1,722,083
Post-employment benefits	140,480	113,444
Share-based payments	1,785,237	892,181
	3,507,063	2,727,708

In addition to the compensation above Dr Jon Hronsky provides professional consulting services to Paladi Energy Ltd. Since his appointment as a director, consulting fees amounting to US\$8,843 (A\$13,340) have been paid on an arms-length and commercial basis and were approved by the Board.

NOTE 26. AUDITOR'S REMUNERATION

The auditor of the Paladin Energy Ltd Group is PricewaterhouseCoopers.

	2023	2022
	US\$	US\$
<i>Amounts received or due and receivable by PricewaterhouseCoopers (Australia) for:</i>		
Audit or review of the financial report of the consolidated Group	115,996	128,598
Other services	—	—
Taxation services:		
Tax compliance services	63,639	38,342
International tax consulting	5,459	—
Other tax advice	1,637	—
Sub-total	186,731	166,940

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

	2023	2022
	US\$	US\$
<i>Amounts received or due and receivable by related practices of PricewaterhouseCoopers (Australia) for:</i>		
Audit or review of the financial report of subsidiaries and audit related services	32,596	28,886
Other services	13,058	162
Taxation services:		
Tax compliance services	398	1,747
International tax consulting	—	264
Sub-total	46,052	31,059
Total	232,783	197,999

NOTE 27. COMMITMENTS AND CONTINGENCIES

There were no outstanding commitments or contingencies, which are not disclosed in the Financial Report of the Group as at 30 June 2023 other than:

	2023	2022
	US\$'000	US\$'000
Tenements		
Commitments for tenements contracted for at the reporting date but not recognised as liabilities, payable:		
Within one year	377	41
Later than one year but not later than 5 years	3,389	3,671
More than 5 years	433	90
Total tenements commitment	4,199	3,802

These include commitments relating to tenement lease rentals and the minimum expenditure requirements of the Namibian, Canadian, Western Australian and Queensland Mines Departments attaching to the tenements and are subject to re-negotiation upon expiry of the exploration leases or when application for a mining licence is made.

These are necessary in order to maintain the tenements in which the Group and other parties are involved. All parties are committed to meet the conditions under which the tenements were granted in accordance with the relevant mining legislation in Namibia, Australia and Canada.

In relation to the Manyingee Project, the re-negotiated acquisition terms provide for a payment of A\$750,000 (US\$496,393) (2022: A\$750,000 (US\$516,657)) by the Group to the vendors when all project development approvals are obtained.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Other Commitments

Commitments for transport, capital, purchase order commitments, fuel and utilities and other supplies contracted for at the reporting date but not recognised as liabilities, payable:

	2023	2022
	US\$'000	US\$'000
Within one year	52,477	444
Later than one year but not later than 5 years	703	791
More than 5 years	376	517
Total other commitments	53,556	1,752

Future sales commitments

At 30 June 2023 Paladin has contracted 48% of estimated production to CY2030. The contracted sales portfolio consists of short and long-term sales commitments. The contracts can be executed well in advance of a delivery and include base escalated and market-related pricing. Total revenue from these contracts cannot be reliably estimated as the transaction price will not be known until the time of delivery.

The sales contracts are denominated in US dollars.

Contingent liabilities

There are certain legal claims or potential claims against the Group, the outcome of which cannot be foreseen at present, and for which no amounts have been disclosed. It is expected that any liabilities arising from such legal action would not have a material effect on the Group's financial performance.

Bank Guarantees

As at 30 June 2023 the Group has outstanding US\$108,566 (A\$164,032) (2022: US\$112,998 (A\$164,032)) as a current guarantee provided by a bank for the corporate office lease; a US\$9,928 (A\$15,000) (2022: US\$10,333 (A\$15,000)) guarantee for tenements and US\$86,161 (A\$65,000 and C\$51,947) (2022: US\$80,798 (A\$65,000 and C\$46,378)) guarantee for corporate credit cards.

NOTE 28. RELATED PARTIES

Key Management Personnel

Except as disclosed below the only related party transactions are with Directors and Key Management Personnel. Refer to Note 25. Details of material-controlled entities are set out in Note 29.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

Loans from related parties – LHU's loans from CNNC (refer to Note 6)

	2023	2022
Non-Current	US\$'000	US\$'000
At 1 July 2022	78,558	68,743
Drawdowns	85	811
Interest charged	3,564	3,111
Fair value adjustment to shareholder loan	—	(644)
Accretion expense	7,501	6,537
At 30 June 2023	89,708	78,558

Transactions With Related Parties – Purchase of Uranium from CNNC

	2023	2022
	US\$'000	US\$'000
Purchase of uranium	—	4,693

NOTE 29. GROUP INFORMATION

Information Relating to Paladin Energy Ltd (Parent)

	2023	2022
	US\$'000	US\$'000
Current assets	118,502	181,285
Total assets	129,338	253,156
Current liabilities	815	596
Total liabilities	12,756	12,345
Issued capital	2,646,644	2,645,778
Accumulated losses	(2,582,911)	(2,455,032)
Option application reserve	137	137
Share-based payments reserve	53,155	49,928
Revaluation reserve	(443)	—
Total shareholders' equity	116,582	240,811
Net loss after tax from operations	(34,760)	(10,502)
Total comprehensive loss	(34,760)	(10,502)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of Paladin Energy Ltd. Dividends received from associates are recognised in the parent entity's profit or loss when its right to receive the dividend is established.

Details of Any Contingent Liabilities of the Parent Entity

Paladin has recognised a provision of US\$37,925,000 (30 June 2022: US\$40,407,000) for the LHM environmental rehabilitation.

Tax Consolidation

Paladin and its 100% owned Australian resident subsidiaries formed a tax consolidated group (the Group) with effect from 1 July 2003. Paladin is the head entity of the Group. Members of the Group have entered into a tax-sharing agreement that provides that the head entity will be liable for all taxes payable by the Group from the consolidation date. The parties have agreed to apportion the head entity's taxation liability within the Group based on each contributing member's share of the Group's taxable income and losses.

Investments in Material Controlled Entities

NAME	COUNTRY OF INCORPORATION	PERCENTAGE INTEREST HELD	
		2023 %	2022 %
Paladin Energy Minerals NL	Australia	100	100
Langer Heinrich Mauritius Holdings Ltd ¹	Mauritius	75	75
Langer Heinrich Uranium (Pty) Ltd	Namibia	75	75
Valhalla Uranium Pty Ltd	Australia	100	100
Summit Resources Ltd	Australia	100	100
Summit Resources (Aust) Pty Ltd	Australia	100	100
Aurora Energy Ltd ²	Canada	100	100

¹ Langer Heinrich Mauritius Holdings Ltd owns 100% of Langer Heinrich Uranium (Pty) Ltd.

² Aurora Energy Ltd equity accounts a 75% interest (FY22: 70%) in a special purpose joint venture (the Michelin Joint Venture) which owns the Michelin Project in Canada. The Michelin Joint Venture includes a farm out agreement over a five-year period whereby Paladin received an additional 5% participating interest in the Michelin Project on an annual basis until May 2023, in return for Paladin funding all obligations for the Michelin Project over this period.

All investments comprise ordinary shares and all shares held are unquoted.

NOTE 30. EVENTS AFTER THE BALANCE DATE

Other than disclosed below, since the end of the financial year, the Directors are not aware of any other matter or circumstance not otherwise dealt with in this report, that has significantly or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent periods with the exception of the following, the financial effects of which have not been provided for in the 30 June 2023 Financial Report.

On 7 July 2023 Paladin announced that it will retain its 75% interest in the Michelin Joint Venture, having completed the process required under the Michelin Joint Venture Agreement to use best efforts to sell the entirety of the joint venture on commercially acceptable terms. The Michelin Joint Venture owns the Michelin advanced exploration project in Labrador, Canada.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

NOTE 31. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Accounting Standards and Interpretations issued but not yet effective

The following Australian Accounting Standards that have recently been issued or amended but are not yet effective are relevant to the Group but have not been applied by the Group for the annual reporting period ending 30 June 2023:

Reference/ Title	Summary	Application date of standard*	Application date for Group*
Classification of liabilities as current or non-current (AASB 2020-1, AASB 2020-6)	The AASB issued a narrow-scope amendment to AASB 101 Presentation of Financial Statements to clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period.	1 January 2023	1 January 2023
Disclosure of Accounting Policies and Definition of Accounting Estimates (AASB 2021-2)	The AASB amended AASB 101 to require entities to disclose material rather than their significant accounting policies.	1 January 2023	1 January 2023
General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1)	The IASB issued this standard to provide guidance on identifying sustainability-related risks and opportunities, and the relevant disclosures to be made in respect of those sustainability-related risks and opportunities.	1 July 2024	1 July 2024
Climate-related Disclosures (IFRS S2)	The IASB issued this standard to build on IFRS S1 and focuses on climate related disclosures.	1 July 2024	1 July 2024

* Designates the beginning of the applicable annual reporting period unless otherwise stated.

The Group has considered what impact these new Accounting Standards will have on the financial statements, when applied next year, and have concluded that they will have no material impact.

The Group has elected not to early adopt these new standards or amendments in the financial statements.

For Standards and Interpretations effective from 1 July 2023, it is not expected that the new Standards and Interpretations will significantly affect the Group's financial performance.

DIRECTORS' DECLARATION

1. In the opinion of the Directors' of Paladin Energy Ltd:
 - a) The consolidated financial statements and notes that are set out on pages 71 to 119, are in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
 - ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
 - b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 3 to the Financial Statements.
 - c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made in accordance with section 295A of the Corporations Act 2001 for the financial year ending 30 June 2023 (**section 295A Declarations**). The section 295A Declarations have been made by the Chief Executive Officer, Ian Purdy and the Chief Financial Officer, Anna Sudlow.

Dated at Perth on 25th August 2023

On behalf of the board



Cliff Lawrenson

Chair



Independent auditor's report

To the members of Paladin Energy Ltd

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Paladin Energy Ltd (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 30 June 2023
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated income statement for the year then ended
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

PricewaterhouseCoopers, ABN 52 780 433 757
Brookfield Place, 125 St Georges Terrace, PERTH WA 6000, GPO Box D198, PERTH WA 6840
T: +61 8 9238 3000, F: +61 8 9238 3999

Liability limited by a scheme approved under Professional Standards Legislation.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

The Group owns uranium mining and exploration assets in Namibia, Canada and Australia.



Materiality	Audit scope
<p>For the purpose of our audit we used overall Group materiality of US\$4.7 million, which represents approximately 1% of the Group's total assets.</p> <p>We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.</p> <p>We chose total assets as the benchmark because the Group is not currently operating its assets which are in the process of being restarted after a period in care and maintenance or in the exploration stage. The use of total assets as a benchmark provides a level of materiality which, in our view, is appropriate for the audit having regard to the expected requirements of users of the Group's financial report.</p> <p>We utilised a 1% threshold based on our professional judgement, noting it is within the range of commonly acceptable asset-related thresholds in the mining industry.</p>	<p>Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.</p> <p>In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by the group engagement team and by the component auditor in Namibia operating under our instruction. We structured our audit as follows:</p> <ul style="list-style-type: none"> • The component auditor performed audit procedures on the financial information of Langer Heinrich Uranium (Pty) Ltd. • The Group engagement team performed audit procedures, as required due to their financial significance, on the financial information of the Group's remaining subsidiaries. • The Group engagement team and component auditor had active dialogue throughout the year through discussions, review of audit working papers and written instructions and reporting.



Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	How our audit addressed the key audit matter
<p>Environmental rehabilitation provisions</p> <p><i>(Refer to note 23) [US\$37,925,000]</i></p> <p>As a result of its mining and processing operations, the Group is obliged to restore and rehabilitate the environment disturbed by these operations.</p> <p>Rehabilitation activities are governed by a combination of legislative and licence requirements. At 30 June 2023 the consolidated statement of financial position included provisions for such obligations of US\$37.9 million.</p> <p>This was a key audit matter given the determination of these provisions required judgement in the assessment of the nature and extent of future works to be performed, the future cost of performing the works, the timing of when the rehabilitation will take place and economic assumptions such as the discount and inflation rates applied to future cash outflows associated with rehabilitation activities to bring them to their present value.</p>	<p>We obtained the Group's assessment of its obligations to rehabilitate disturbed areas and the estimated future cost of that work, which forms the basis for the environmental rehabilitation provision calculations (the model) for the Langer Heinrich mine. We evaluated and tested key assumptions utilised in this model by performing the following procedures, amongst others:</p> <ul style="list-style-type: none"> • comparing the rehabilitation costs being estimated at Langer Heinrich to a management's expert assessment of the rehabilitation obligation, • examining supporting information for future cost estimates, • assessing the timing of work to be performed by comparison to mine plans and environmental rehabilitation plans submitted to relevant authorities, and • considering the appropriateness of the discount and inflation rates utilised in calculating the provision by comparing them to current market consensus rates.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 52 to 66 of the directors' report for the year ended 30 June 2023.

In our opinion, the remuneration report of Paladin Energy Ltd for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.



Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in cursive script that reads "PricewaterhouseCoopers".

PricewaterhouseCoopers

A handwritten signature in cursive script that reads "Justin Carroll".

Justin Carroll
Partner

Perth
25 August 2023

ADDITIONAL INFORMATION

Pursuant to the Listing Requirements of ASX as at 21 August 2023

1. Distribution and number of holders

Range			Total Holders	No. of Shares
1	—	1,000	3,659	1,968,374
1,001	—	5,000	6,600	17,080,516
5,001	—	10,000	3,093	23,734,189
10,001	—	100,000	5,827	182,760,481
100,001	—	maximum	895	2,755,585,387
			20,074	2,981,128,947

1,934 shareholders hold less than a marketable parcel of shares.

2. The twenty largest shareholders hold 82.10% of the total shares issued

Holder	No. of Shares	%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	747,149,018	25.06
CITICORP NOMINEES PTY LIMITED	569,528,954	19.10
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	313,462,521	10.51
NDOVU CAPITAL XII B V	148,989,744	5.00
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	110,690,921	3.71
BNP PARIBAS NOMS PTY LTD <DRP>	103,484,813	3.47
NATIONAL NOMINEES LIMITED	91,061,717	3.05
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	77,777,262	2.61
HOPU CLEAN ENERGY (SINGAPORE) PTE LTD	54,172,072	1.82
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	51,733,424	1.74
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	34,050,302	1.14
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	29,874,233	1.00
WASHINGTON H SOUL PATTINSON AND COMPANY LTD	26,300,000	0.88
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	25,350,754	0.85
BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS DRP>	16,979,045	0.57

ADDITIONAL INFORMATION (CONTINUED)

Pursuant to the Listing Requirements of ASX as at 21 August 2023

HUICEN CAPITAL PTY LIMITED	14,598,090	0.49
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	11,049,857	0.37
XUE INVESTMENTS PTY LIMITED <XUE FAMILY A/C>	8,881,636	0.30
BNP PARIBAS NOMS (NZ) LTD <DRP>	6,944,730	0.23
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,444,109	0.18
	2,447,523,202	82.10

Substantial shareholders as disclosed in substantial shareholder notices given to the Company as at 30 June 2023 are as follows:

- Paradise Investment Management Pty Ltd
- Tembo Capital Mining Fund II LP and related entities
- Vanguard Group Holdings

3. Voting Rights

Ordinary Shares

For all shares, voting rights are one vote per member on a show of hands and one vote per share in a poll.

Share Appreciation Rights

There are no voting rights attached to Share Appreciation Rights.

Performance Rights

There are no voting rights attached to Performance Rights.

4. Unquoted securities

Unlisted Share Appreciation Rights

The Company has 2,878,500 Share Appreciation Rights on issue, issued in accordance with the Share Rights Plan approved by shareholders.

Unlisted Performance Rights

The Company has 13,924,825 Performance Rights on issue.

ADDITIONAL INFORMATION (CONTINUED)

Pursuant to the Listing Requirements of ASX as at 21 August 2023

Tenement information required by listing rule 5.20

Tenement	Location	Ownership	Tenement	Location	Ownership
EPM 11898	QLD, Australia	20%	025681M	NL, Canada	75%
EPM 13412	QLD, Australia	20%	035936M	NL, Canada	75%
EPM 13413	QLD, Australia	20%	035937M	NL, Canada	75%
EPM 13682	QLD, Australia	20%	035938M	NL, Canada	75%
EPM 14233	QLD, Australia	18%	035939M	NL, Canada	75%
EPM 14694	QLD, Australia	20%	035940M	NL, Canada	75%
EPM 14712	QLD, Australia	20%	035941M	NL, Canada	75%
EPM 14821	QLD, Australia	20%	035942M	NL, Canada	75%
EPM 14935	QLD, Australia	20%	035943M	NL, Canada	75%
EPM 15156	QLD, Australia	20%	035944M	NL, Canada	75%
MDL 507	QLD, Australia	100%	035945M	NL, Canada	75%
MDL 508	QLD, Australia	100%	035946M	NL, Canada	75%
MDL 509	QLD, Australia	100%	035947M	NL, Canada	75%
MDL 510	QLD, Australia	100%	035948M	NL, Canada	75%
MDL 511	QLD, Australia	100%	035949M	NL, Canada	75%
MDL 513	QLD, Australia	100%	035950M	NL, Canada	75%
M08/86	WA, Australia	100%	035951M	NL, Canada	75%
M08/87	WA, Australia	100%	035952M	NL, Canada	75%
M08/88	WA, Australia	100%	035953M	NL, Canada	75%
E08/1645	WA, Australia	100%	035954M	NL, Canada	75%
E08/1646	WA, Australia	100%	035955M	NL, Canada	75%
EL 6132	SA, Australia	7.5%	035956M	NL, Canada	75%
ML 140	Namibia, Africa	75%	035957M	NL, Canada	75%
ML 172	Namibia, Africa	75%	035958M	NL, Canada	75%
025621M	NL, Canada	75%	035959M	NL, Canada	75%
025675M	NL, Canada	75%			
025676M	NL, Canada	75%			





The annual report covers the Group consisting of Paladin Energy Ltd (referred throughout as the Company or Paladin) and its controlled entities (the Group).

Paladin Energy Ltd is a company limited by shares, incorporated and domiciled in Australia.

All press releases, financial statements and other information are available on our website www.paladinenergy.com.au.

Corporate Directory

DIRECTORS

Non-Executive Chair Mr Cliff Lawrenson

Non-Executive Directors Mr Peter Main
Mr Peter Watson
Ms Melissa Holzberger
Dr Jon Hronsky OAM
Ms Joanne Palmer
Ms Lesley Adams

Chief Executive Officer Mr Ian Purdy

Company Secretary Mr Jeremy Ryan

REGISTERED OFFICE

Level 8, 191 St Georges Terrace
Perth Western Australia 6000
Telephone: (+61 8) 9423 8100
Facsimile: (+61 8) 9381 4978
Email: paladin@paladinenergy.com.au
Web: www.paladinenergy.com.au

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth Western Australia 6000
Telephone: 1300 850 505 (within Australia) or
(+61 3) 9415 4000 (outside Australia)
Facsimile: (+61 3) 9473 2500

INVESTOR RELATIONS

Mr Alex Rybak
Level 8, 191 St Georges Terrace
Perth Western Australia 6000
(PO Box 8062 Cloisters Square PO WA 6850)
Telephone: (+61 8) 9423 8135
Facsimile: (+61 8) 9381 4978
Email: alex.rybak@paladinenergy.com.au

AUDITORS

PricewaterhouseCoopers
125 St Georges Terrace
Perth Western Australia 6000

STOCK EXCHANGE LISTINGS

Australian Securities Exchange
Code: PDN

OTCQX
Code: PALAF

Munich, Berlin, Stuttgart and Frankfurt Stock Exchanges
Code: PUR

Namibian Stock Exchange
Code: NM-PDN



Level 8, 191 St Georges Terrace
Perth Western Australia 6000
Telephone: (+61 8) 9423 8100
Facsimile: (+61 8) 9381 4978

Email: paladin@paladinenergy.com.au
Web: www.paladinenergy.com.au

Paladin Energy Ltd

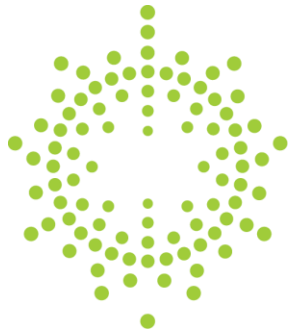
ABN or equivalent company reference

ACN. 061 681 098

Results for announcement to the market

				31 December 2023 US\$'000	31 December 2022 US\$'000
Revenue from sales of uranium oxide	-	-	to	-	-
Total revenue	-	-	to	-	-
Gain/(loss) after tax attributable to members	Up	1,383%	to	61,408	(4,786)
Net gain/(loss) for the period attributable to members	Up	1,383%	to	61,408	(4,786)
Gain/(loss) per share (US cents)				2.1	(0.2)

Dividends	Amount per security	Franked amount per security
It is not proposed to pay dividends for the period	N/A	N/A
Previous corresponding period:		
No dividend paid	N/A	N/A
An explanation of the results is included in the Operating and Financial Review and the Financial Report attached.		
	31 December 2023	31 December 2022
Net tangible assets per share	US\$0.14	US\$0.11
Other		
Previous corresponding period is the half year ended 31 December 2022.		
All foreign subsidiaries are prepared using IFRS.		



PALADIN

Interim Financial Report For the Six Months Ended 31 December 2023

ACN 061 681 098



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The Financial Report covers the Group consisting of Paladin Energy Ltd (referred throughout as the Company or Paladin) and its controlled entities (the Group).



Operating and Financial Review
For the Six Months Ended 31 December 2023
(All figures are in US dollars unless otherwise indicated)

OVERVIEW OF OPERATIONS

Paladin Energy Ltd (ASX:PDN OTCQX:PALAF) is an Australian listed, independent uranium company with a focus on restarting its globally significant Langer Heinrich Mine (LHM), currently progressing to commercial production in 2024. With proven operations performance over 10 years, Langer Heinrich is on track for successful, long-life operation delivering real stakeholder value. Paladin remains fully committed to a globally accredited ESG framework that represents best practice and sets standards of organisational behaviour.

The Company also owns a large global portfolio of uranium exploration and development assets. As nuclear power remains a leading sustainable source of low-carbon electricity generation, Paladin has a clear role in positive, worldwide change.

The Company is incorporated under the laws of Australia with a primary share market listing on the Australian Securities Exchange (ASX) and is also listed on the Namibian Stock Exchange (NSX). The Company also trades on the OTCQX market in the United States of America.

HIGHLIGHTS

Health and Safety

- Paladin had no lost time injuries or reportable incidents during the six months ending 31 December 2023
- Over 2 million hours have been worked on the LHM Restart Project without any serious injuries and with no reportable environmental incidents
- The LHM is transitioning its Health, Safety and Environment framework, systems and processes to an operational focus.

Operational Performance

- Production activities have commenced with first ore feed into the LHM processing plant on 20 January 2024 following successful commissioning of the beneficiation circuit
- Paladin's owner team, alongside its EPCM partner, continued to progress and execute activities focused on returning the LHM to production:
 - The project is over 93% complete with final construction and ongoing commissioning activities continuing across the processing plant
 - Paladin continues to target first commercial production by the end of Q1 CY2024, but notes that lower contractor productivity over the Christmas / New Year period may result in a delay to early Q2 CY2024
 - The Company is forecasting total project capital costs of approximately US\$125M (previously US\$118M)
 - Recruitment of approximately 90% of the operations team, with all critical roles filled with experienced personnel
 - Demobilisation of the contractor workforce has commenced with approximately 760 personnel on site in January 2024, a significant reduction from the peak of 1,200



- Operational readiness activities are nearing completion, with operational systems for safety, maintenance and production completed
- Robust shut-down and start-up plans established
- Majority of the construction verification activities complete or nearing completion
- Installation of the new Final Product Recovery (FPR) plant has commenced
- Mobilisation of all equipment and personnel by the contractor for stockpile rehandling is now complete
- All reagents delivered and stored on site or at local suppliers
- Delivery of all commissioning spares and of the majority of critical and operational spares
- Continued progress of power and water capacity upgrades with completion of the NamWater pipeline booster 2 upgrade works.

Exploration

- During the period, the Company undertook the work required to meet minimum tenement commitments at its exploration projects in Canada and Australia, and rehabilitation monitoring continued across all locations without incident
- Paladin now holds a 100% interest in the Michelin Project in Labrador, Canada. As a result of the funding and dilution provisions of the Joint Venture Agreement, the Michelin Nominees surrendered their 25% participating interest in the Michelin Joint Venture and the 25% interest has been transferred to Aurora Energy Limited
- Paladin has been granted mineral licences for prospective new ground adjoining the Michelin Project and has exclusive rights to explore these tenements
- The exploration program undertaken this quarter has continued to focus on detailed geological and structural mapping of prospective areas of the tenement, with the commencement of an initial drilling program.

Uranium Marketing Activities

- Paladin currently has approximately 80% uncapped upside exposure to the uranium spot price through to the end of CY2030. The Company also has flexible shipping arrangements and early payment terms with its largest customer, providing significant delivery flexibility and improved cash flow during the LHM operational ramp-up. Paladin successfully executed a non-material offtake agreement for the supply of uranium to an industry leading counterparty in Europe
- Paladin has a geographically diverse offtake book, with seven offtake agreements executed with top-tier counterparties in the US, Europe and China. These contracts range in type and duration and provide base-escalated, fixed-price and market-related pricing mechanisms
- Paladin successfully executed commercial agreements with two Western conversion facilities and commercial negotiations with shipping companies are being finalised ahead

Operating and Financial Review
For the Six Months Ended 31 December 2023
(All figures are in US dollars unless otherwise indicated)



of the Company's imminent return to production

- Paladin received export permits from the Ministry of Mines & Energy in Namibia for 2024.

Corporate

- Paladin's 2023 Sustainability Report was published 17 October 2023, confirming the Company's commitment to delivering value through sustainable development
- The Company held US\$61.6M of cash and cash equivalents as at 31 December 2023 (excluding restricted cash of US\$1M), and has no corporate debt at balance date
- In January 2024 Paladin executed a US\$150M syndicated debt facility to provide capital flexibility as the Company recommences operations at the LHM and progresses its growth options.

FINANCIAL PERFORMANCE

Key financial performance metrics	Six months ended 31 December			
		2023	2022	% Change
Earnings				
Net profit/(loss) after tax from continuing operations	US\$'000	76,781	(13,312)	677
Profit/(loss) after tax attributable to members	US\$'000	61,408	(4,786)	1,383
Cash Flows				
Cash flows from operating activities	US\$'000	(9,399)	(4,050)	(132)
Capital expenditure	US\$'000	(55,717)	(7,394)	(654)
Free cash flows ¹	US\$'000	(65,116)	(11,444)	(469)

Earnings

Net profit after tax from continuing operations includes:

- The reversal of an impairment charge of the existing LHM ore stockpiles (previously recognised in FY2016) as a result of changed economic circumstances taking into account the Restart Project's progress, the negotiation of key contracts and the improvement in the uranium market prices. The reversal resulted in a gain of US\$92.2M. Approximately 45% of the original stockpile impaired was processed prior to the LHM going into care and maintenance (refer Note 7)
- Recognition of income tax expense attributed to the Australian Tax Group of US\$1.7M
- An increase in corporate and marketing costs of US\$1.3M over the prior year

¹ Free Cash Flows equals the total of 'cash flows from operating activities' plus 'capital expenditure'.

Operating and Financial Review
For the Six Months Ended 31 December 2023
(All figures are in US dollars unless otherwise indicated)



In addition, pre-production costs of US\$6.1M were capitalised into Mine Development costs.

Key financial performance metrics		As at 31 December 2023	As at 30 June 2023	% Change
Financial Position				
Unrestricted cash and cash equivalents	US\$'000	61,592	126,636	(51)
Total equity	US\$'000	413,841	335,084	24

Cash Flows

The Group had unrestricted cash and cash equivalents at 31 December 2023 of US\$61.6M. Unrestricted cash and cash equivalents decreased by US\$65.1M during the period comprising of the following cash flows:

- Interest received and other income – US\$1.7M cash inflows received
- Sale of investments – US\$1.9M cash inflows from the sale of shares in Lotus Resources
- LHM Restart Project expenditure – US\$47.2M cash outflows for the Restart Project into Capital Work in Progress
- LHM operations expenditure – US\$10.3M cash outflows for operational expenditure at LHM including capitalised pre-production costs of US\$6.1M
- Corporate expenditure – US\$7.0M cash outflows for corporate and staff costs
- Exploration expenditure – US\$3.0M cash outflows to meet minimum tenement commitments for exploration projects
- Property Plant and Equipment – US\$1.4M cash outflows to acquire new property, plant and equipment outside the Restart Project
- Effect of movement in exchange rate of cash held – US\$0.1M cash increase predominantly due to the translation of Australian dollars held

Financial Position

Unrestricted group cash and cash equivalents decreased during the period by 51% to US\$61.6M.

Paladin had no corporate debt at 31 December 2023. In January 2024 Paladin executed a US\$150M syndicated debt facility to provide capital flexibility as the Company recommences operations at the LHM and progresses its growth options.

Directors' Report
For the Six Months Ended 31 December 2023
(All figures are in US dollars unless otherwise indicated)



The Directors present their report on the Company consisting of Paladin Energy Ltd (“Company”) and the entities it controlled (“Group”) at the end of, or during, the six months ended 31 December 2023.

Directors

The following persons were Directors of the Company during the whole of the six months and up to the date of this report unless otherwise indicated:

Mr Cliff Lawrenson (Non-executive Chairman)
Mr Peter Main (Non-executive Director)
Mr Peter Watson (Non-executive Director)
Ms Melissa Holzberger (Non-executive Director)
Ms Joanne Palmer (Non-executive Director)
Dr Jon Hronsky OAM (Non-executive Director)
Ms Lesley Adams (Non-executive Director)

Review of Operations

A detailed Operating and Financial Review of the Group is set out on pages 3 to 6.

The profit after tax attributable to the ordinary equity holders for the six months ended 31 December 2023 was US\$61.4M (loss after tax of US\$4.8M for the six months ended 31 December 2022).

Auditor's Independence Declaration

The Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out on page 8.

Rounding

The amounts contained in this report, the Financial Report and the Operating and Financial Review have been rounded to the nearest US\$1,000 (where rounding is applicable) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. Paladin is an entity to which the Instrument applies.

Signed in accordance with a resolution of the Directors.

Mr Cliff Lawrenson
Chairman
Perth, Western Australia
22 February 2024



Auditor's Independence Declaration

As lead auditor for the review of Paladin Energy Ltd for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review, and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Paladin Energy Ltd and the entities it controlled during the period.

A handwritten signature in black ink that reads 'Justin Carroll'.

Justin Carroll
Partner
PricewaterhouseCoopers

Perth
22 February 2024

Condensed Consolidated Income Statement
For the six months ended 31 December 2023



	Notes	2023 US\$'000	2022 US\$'000
Revenue			
Revenue		-	-
Cost of sales		-	-
Gross profit/(loss)		-	-
Other Income			
Interest received		1,745	1,965
Other income		27	293
Total		1,772	2,258
Administration, marketing and non-production costs	6	(9,264)	(7,842)
Other gains	6	67	-
Impairment reversal	6	92,195	-
Foreign exchange loss (net)		(977)	(650)
Profit/(loss) before interest and tax		83,793	(6,234)
Finance costs		(5,286)	(7,078)
Net profit/(loss) before income tax		78,507	(13,312)
Income tax expense		(1,726)	-
Net profit/(loss)loss after tax		76,781	(13,312)
Attributable to:			
Non-controlling interests		15,373	(8,526)
Members of the parent		61,408	(4,786)
Net profit/(loss) after tax		76,781	(13,312)
Profit/(loss) per share (US cents)			
Profit/(loss) after tax from operations attributable to ordinary equity holders of the Company			
- continuing operations, basic (US cents)		2.1	(0.2)
- continuing operations, diluted (US cents)		2.0	(0.2)

The above Condensed Consolidated Income Statement should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Comprehensive Income
For the six months ended 31 December 2023



	2023 US\$'000	2022 US\$'000
Net profit/(loss) after tax for the period	76,781	(13,312)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation	224	(1,550)
Items that will not be reclassified to profit or loss:		
Changes in the fair value of available for sale investments at fair value through other comprehensive income	350	1,012
Other comprehensive income for the period, net of tax	574	(538)
Total comprehensive profit/(loss) for the period	77,355	(13,850)
Total comprehensive profit for the period is attributable to:		
Non-controlling interests	15,373	(8,526)
Members of the parent	61,982	(5,324)
	77,355	(13,850)

The above Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position

For the six months ended 31 December 2023



	Notes	As at 31 December 2023 US\$'000	As at 30 June 2023 US\$'000
ASSETS			
Current assets			
Cash and cash equivalents		61,592	126,636
Restricted cash		1,023	1,014
Trade and other receivables		6,036	2,756
Prepayments		8,699	11,127
Inventories	7	30,350	5,646
Financial assets held for sale	8	-	1,590
TOTAL CURRENT ASSETS		107,700	148,769
Non-current assets			
Trade and other receivables		826	355
Inventories	7	67,616	-
Property, plant and equipment	9	251,832	197,928
Right-of-use assets		1,670	817
Mine development	10	28,152	22,064
Exploration and evaluation expenditure	11	98,703	95,321
Intangible assets		7,793	7,793
TOTAL NON-CURRENT ASSETS		456,592	324,278
TOTAL ASSETS		564,292	473,047
LIABILITIES			
Current liabilities			
Trade and other payables		12,473	9,094
Lease liabilities		278	159
Provisions		2,300	331
TOTAL CURRENT LIABILITIES		15,051	9,584
Non-current liabilities			
Other interest-bearing loans - CNNC		93,366	89,708
Lease liabilities		1,398	622
Provisions		40,636	38,049
TOTAL NON-CURRENT LIABILITIES		135,400	128,379
TOTAL LIABILITIES		150,451	137,963
NET ASSETS		413,841	335,084
EQUITY			
Contributed equity	5	2,648,377	2,646,644
Reserves		(69,668)	(70,004)
Accumulated losses		(2,099,893)	(2,169,066)
Parent interests		478,816	407,574
Non-controlling interests		(64,975)	(72,490)
TOTAL EQUITY		413,841	335,084

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2023



	Contributed Equity US\$'000	Reserves US\$'000	Accumulated Losses US\$'000	Owners of the Parent US\$'000	Non- Controlling Interests US\$'000	Total US\$'000
Balance at 1 July 2022	2,645,778	(71,917)	(2,160,834)	413,027	(54,615)	358,412
Loss for the period	-	-	(4,786)	(4,786)	(8,526)	(13,312)
Other comprehensive income	-	(538)	-	(538)	-	(538)
Total comprehensive loss for the period, net of tax	-	(538)	(4,786)	(5,324)	(8,526)	(13,850)
Share-based payment	-	541	-	541	-	541
Vesting performance rights	846	-	-	846	-	846
Balance at 31 December 2022	2,646,624	(71,914)	(2,165,620)	409,090	(63,141)	345,949
Balance at 1 July 2023	2,646,644	(70,004)	(2,169,066)	407,574	(72,490)	335,084
Profit for the period	-	-	61,408	61,408	15,373	76,781
Other comprehensive income	-	574	-	574	-	574
Total comprehensive profit for the period, net of tax	-	574	61,408	61,982	15,373	77,355
Transfer of loss on disposal of equity investments at fair value through Other Comprehensive Income	-	93	(93)	-	-	-
Transfer in of 25% share of Michelin Project	-	-	7,858	7,858	(7,858)	-
Share-based payment	-	1,402	-	1,402	-	1,402
Vesting performance rights	1,733	(1,733)	-	-	-	-
Balance at 31 December 2023	2,648,377	(69,668)	(2,099,893)	478,816	(64,975)	413,841

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Cash Flows
For the six months ended 31 December 2023



	2023	2022
	US\$'000	US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(11,168)	(5,842)
Other income	27	50
Interest received	1,742	1,742
	<hr/>	<hr/>
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES	(9,399)	(4,050)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(1,378)	(380)
Proceeds from disposal of financial assets at fair value through profit or loss	1,950	-
Pre-production costs and capitalised mine development costs	(6,088)	-
Capitalised exploration expenditure	(3,030)	(1,083)
LHM Restart Project costs	(47,171)	(5,931)
	<hr/>	<hr/>
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES	(55,717)	(7,394)
CASH FLOWS FROM FINANCING ACTIVITIES		
Other interest-bearing loans - CNNC	-	85
	<hr/>	<hr/>
NET CASH INFLOW FROM FINANCING ACTIVITIES	-	85
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(65,116)	(11,359)
Cash and cash equivalents at the beginning of the period	126,636	177,066
Effects of exchange rate changes on cash and cash equivalents	72	(2,501)
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	61,592	163,206

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.



NOTE 1. CORPORATE INFORMATION

The Interim Financial Report of the Group for the six months ended 31 December 2023 was authorised for issue in accordance with a resolution of the Directors on 22 February 2024.

Paladin Energy Ltd (Paladin) is a company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the ASX in Australia and the Namibian Stock Exchange in Africa. The Company also trades on the OTCQX market in the United States of America.

The Paladin Group's principal place of business is Level 11, 197 St Georges Terrace, Perth, Western Australia. The nature of the operations and principal activities of the Group are described in the Operating and Financial Review on pages 3 to 6.

NOTE 2. BASIS OF PREPARATION

This condensed consolidated interim financial report for the six months reporting period ended 31 December 2023 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2023 and any public announcements made by Paladin during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The condensed consolidated interim financial report is presented in US dollars and all values are rounded to the nearest thousand dollars (US\$1,000) unless otherwise stated under the option available to the Company under Australian Securities and Investments Commission ("ASIC") Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. Paladin is an entity to which the Instrument applies.

The accounting policies adopted are consistent with those of the previous financial year unless otherwise stated.

New and amended accounting standards and interpretations

From 1 July 2023 the Group has adopted all Australian Accounting Standards and Interpretations effective for annual periods beginning on or before 1 July 2023. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards. The Group has not elected to early adopt any new accounting standards and interpretations.

NOTE 3. SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

On 19 July 2022 the Paladin Board announced it had made the decision to return the LHM to production with a forecast 18 month restart schedule and a US\$118M budget.

During the period, Paladin's owner team, alongside its EPCM partner, continued to progress and execute activities focused on returning the LHM to production. The project is approximately 93% complete as at 31 December 2023. Further details of the Restart Project's progress are included in the Operational and Financial Review on pages 3 to 6.



NOTE 3. SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD (CONTINUED)

The Company is forecasting total project capital costs of approximately US\$125M (previously US\$118M) and continues to target first commercial production by the end of Q1 CY2024/early Q2 CY2024.

At 31 December 2023 the impairment of the existing LHM ore stockpiles (previously recognised in FY2016) was reversed as a result of changed economic circumstances taking into account the Restart Project's progress, the negotiation of key contracts and the improvement in the uranium market prices. The reversal of the impairment of LHM ore stockpiles resulted in a gain of US\$92.2M. Subsequent to 30 June 2016, approximately 45% of the original impaired stockpile was consumed prior to the LHM going into care and maintenance (refer Note 7).

During the period, pre-production costs, including commissioning costs incurred at LHM amounting to US\$6.1M were capitalised into Mine Development costs.

As at 31 December 2023, Paladin has recognised a tax expense arising from its Australian Tax Consolidation Group of US\$1.7M.

During the period Michelin Nominees surrendered their 25% participating interest in the Michelin Joint Venture to Aurora Energy Ltd as a result of the funding and dilution provisions of the Joint Venture Agreement. Paladin now holds a 100% interest in the Michelin Project in Labrador, Canada.

NOTE 4. SEGMENT INFORMATION

Identification of Reportable Segments

The Group has identified its operating segments to be Exploration, Namibia and Australia, on the basis of the nature of the activity and geographical location and different regulatory environments:

- Exploration - this segment is focused on developing exploration and evaluation projects in Australia and Canada.
- Namibia - this segment is focused on the proposed production and sale of uranium from the LHM located in this country's geographic region.
- Australia - this segment includes the Group's sales and marketing, corporate and administration functions.

Discrete financial information about each of these operating segments is reported to the Group's executive management team on at least a monthly basis.

The accounting policies used by the Group in reporting segments internally are the same as those contained in the accounts and in the prior period.

Corporate charges comprise non-segmental expenses such as corporate office expenses. A proportion of the corporate charges are allocated to Namibia and Exploration segments with the balance remaining in Australia.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2023



The following tables present revenue, expenditure and asset information regarding operating segments for the six months ended 31 December 2023 and 31 December 2022.

Six months ended 31 December 2023	Exploration US\$'000	Namibia US\$'000	Australia US\$'000	Consolidated US\$'000
Sales to external customers	-	-	-	-
Total consolidated revenue	-	-	-	-
Cost of sales	-	-	-	-
Gross profit	-	-	-	-
Other income	-	79	1,693	1,772
Other gains	-	-	67	67
Impairment reversal	-	92,195	-	92,195
Other expenses	(39)	(4,558)	(4,667)	(9,264)
Foreign exchange losses	-	-	-	(977)
Segment gain (loss) before income tax and finance costs	(39)	87,716	(2,907)	83,793
Finance costs	-	(5,265)	(21)	(5,286)
Segment gain (loss) before income tax	(39)	82,451	(2,928)	78,507
Income tax expense	-	-	(1,726)	(1,726)
Segment gain (loss) after income tax	(39)	82,451	(4,654)	76,781

At 31 December 2023

Segment total assets	99,140	411,656	53,496^[1]	564,292
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⁽¹⁾ Includes US\$49.5M in cash and cash equivalents.

Six months ended 31 December 2022	Exploration US\$'000	Namibia US\$'000	Australia US\$'000	Consolidated US\$'000
Sales to external customers	-	-	-	-
Total consolidated revenue	-	-	-	-
Cost of sales	-	-	-	-
Gross profit	-	-	-	-
Other income	-	57	2,201	2,258
Other expenses	(14)	(4,781)	(3,048)	(7,843)
Foreign exchange losses	-	-	-	(649)
Segment (loss) before income tax and finance costs	(14)	(4,724)	(847)	(6,234)
Finance costs	-	(3,402)	(3,676)	(7,078)
Segment (loss) before income tax	(14)	(8,126)	(4,523)	(13,312)
Income tax expense	-	-	-	-
Segment loss after income tax	(14)	(8,126)	(4,523)	(13,312)

At 31 December 2023

Segment total assets	94,150	214,007	166,303^[2]	474,460
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⁽²⁾ Includes US\$163.2M in cash and cash equivalents.



NOTE 5. CONTRIBUTED EQUITY

Issued and paid up capital

	31 December 2023 Number	30 June 2023 Number	31 December 2023 US\$'000	30 June 2023 US\$'000
Ordinary shares				
Issued and fully paid	2,983,375,533	2,980,146,447	2,648,377	2,646,644

Share Appreciation Rights (SARs)

Issued unlisted employee share appreciation rights outstanding to employees, previous employees and consultants directly engaged in corporate, mine construction, operations and exploration and evaluation work for the Company are as follows:

	31 December 2023 Number	30 June 2023 Number
Number of unlisted employee share appreciation rights	2,643,000	2,878,500

Consisting of the following:

Date granted	Exercisable date	Expiry date	Fair value	Exercise price	Number
27 September 2016	1 November 2019	1 November 2024	A\$0.08	A\$0.20	18,000
16 April 2018	16 April 2019	16 April 2024	A\$0.05	A\$0.15	12,500
16 April 2018	16 April 2020	16 April 2025	A\$0.07	A\$0.15	12,500
1 July 2019	1 July 2020	1 July 2025	A\$0.05	A\$0.1226	700,000
1 July 2019	1 July 2021	1 July 2026	A\$0.06	A\$0.1226	700,000
1 July 2019	1 July 2022	1 July 2027	A\$0.07	A\$0.1226	1,100,000
1 October 2019	1 October 2020	1 October 2025	A\$0.03	A\$0.12	20,000
1 October 2019	1 October 2021	1 October 2026	A\$0.04	A\$0.12	40,000
1 October 2019	1 October 2022	1 October 2027	A\$0.05	A\$0.12	40,000
Total					2,643,000



NOTE 5. CONTRIBUTED EQUITY (CONTINUED)

Performance Rights (PRs)

Issued unlisted employee performance rights outstanding to employees of the Company are as follows:

	31 December 2023 Number	30 June 2023 Number
Number of unlisted employee performance rights	17,473,048	14,907,327

Consisting of the following:

Date granted	Expiry date ⁽¹⁾	Fair value	Vesting price ⁽²⁾	Number
3 November 2021 ⁽³⁾	1 July 2026	A\$0.705	A\$0.00	2,431,153
3 November 2021 ⁽³⁾	1 July 2026	A\$0.766	A\$0.00	2,431,152
1 July 2022	30 June 2027	A\$0.58	A\$0.00	225,000
28 September 2022 ⁽³⁾	28 September 2027	A\$0.735	A\$0.00	529,151
28 September 2022 ⁽³⁾	28 September 2027	A\$0.735	A\$0.00	537,099
28 September 2022 ⁽³⁾	28 September 2027	A\$0.631	A\$0.00	1,748,984
28 September 2022 ⁽³⁾	28 September 2027	A\$0.629	A\$0.00	1,748,984
13 October 2022	28 September 2027	A\$0.755	A\$0.00	900,000
13 October 2022	28 September 2027	A\$0.825	A\$0.00	82,500
1 February 2023	1 February 2028	A\$0.605	A\$0.00	500,000
28 March 2023 ⁽³⁾	28 March 2028	A\$0.605	A\$0.00	203,401
28 March 2023 ⁽³⁾	28 March 2028	A\$0.484	A\$0.00	271,200
28 March 2023 ⁽³⁾	28 March 2028	A\$0.412	A\$0.00	271,201
17 October 2023 ⁽³⁾	17 October 2028	A\$0.776	A\$0.00	2,571,611
17 October 2023 ⁽³⁾	17 October 2028	A\$0.756	A\$0.00	2,571,612
4 December 2023	17 October 2028	A\$1.06	A\$0.00	450,000
Total				17,473,048

(1) Subject to the terms of applicable employee share plan rules the 'Expiry Date' is 5 years

(2) These PRs have been issued for nil cash consideration and no consideration is payable by the holder upon the vesting of a PR.

(3) These PRs will vest subject to the TSR of the Company over the three-year performance period commencing on 1 July 2021, relative to the TSR performance of each constituent of respective peer groups. In benchmarking the TSR performance a weighting of 50% will apply to each of the peer groups.



NOTE 5. CONTRIBUTED EQUITY (CONTINUED)

Movements in ordinary shares on issue

Date		Number of Shares	Fair Value A\$	Exchange Rate US\$: A\$	Total US\$'000
Balance 30 June 2022		2,977,779,002			2,645,778
September 2022	PRs exercised	200,000	0.82	1.39811	117
September 2022	SARs exercised	100,000	0.125	1.46503	9
October 2022	PRs exercised	1,095,000	0.82	1.38346	649
October 2022	SARs exercised	196,828	0.089	1.40173	12
November 2022	SARs exercised	500,000	0.125	1.46603	43
December 2022	SARs exercised	100,000	0.21	1.32628	16
January 2023	SARs exercised	126,875	0.079 ⁽¹⁾	1.32132	11
April 2023	SARs exercised	29,662	0.17	1.28854	5
May 2023	SARs exercised	19,080	0.17	1.28854	4
Balance 30 June 2023		2,980,146,447			2,646,644
July 2023	PRs exercised	900,000	0.755	1.50373	452
July 2023	PRs exercised	82,500	0.825	1.50373	45
October 2023	PRs exercised	2,045,000	0.945	1.57550	1,227
October 2023	SARs exercised	201,586	0.064	1.57550	9
Balance 31 December 2023		2,983,375,533			2,648,377

(1) Multiple tranches were exercised at fair values between A\$0.0297-A\$0.17 with an average of A\$0.079

NOTE 6. EXPENSES

	Six months ended 31 December	
	2023 US\$'000	2022 US\$'000
Other gains		
Gain on termination of lease	67	-
Reversal of impairment of ore stockpile	92,195	-
Administration, marketing, care and maintenance, and non-production costs		
Corporate and marketing	(3,143)	(1,793)
LHM mine site	(2,600)	(2,568)
LHM depreciation	(1,360)	(1,352)
Other costs	(759)	(742)
Share-based payments	(1,402)	(1,387)
Total	(9,264)	(7,842)



NOTE 7. INVENTORIES

	2023	2022
	US\$'000	US\$'000
Current		
Stores and consumables (at cost)	5,771	5,646
Ore stockpiles (at cost)	24,579	-
Total current inventories at the lower of cost and net realisable value	<u>30,350</u>	<u>5,646</u>
Non-Current		
Ore stockpiles (at cost)	67,616	-
Total non-current inventories at the lower of cost and net realisable value	<u>67,616</u>	<u>-</u>

Ore Stockpiles at the LHM that are not expected to be processed within 12 months of the balance sheet date are classified as non-current.

Change in Accounting Estimate

Reversal of Impairment of Ore Stockpile

During 2016, the carrying value of ore stockpiles held at LHM was reduced to net realisable value resulting in an impairment loss of US\$168.M for the year, recognised in other expenses. Subsequent to 30 June 2016, approximately 45% of the original impaired stockpile was consumed prior to the LHM going into care and maintenance. Management consider the impairment on the remaining ore stockpile should be reversed in view of the changed economic circumstances taking into account the Restart Project's progress, the negotiation of key contracts and the improvement in the uranium market prices.

NOTE 8. FINANCIAL ASSETS HELD FOR SALE

	31 December	30 June
	2023	2023
	US\$'000	US\$'000
Financial assets at fair value through other comprehensive income	-	<u>1,590</u>

Included in the Group's current financial assets at 30 June 2023 was an investment in Lotus Resources Limited a company listed on the ASX. This investment arose as part of the final consideration in relation to the sale of Paladin (Africa) Ltd to Lotus Resources Ltd completed on 13 March 2020. Since 1 July 2023, the shares have been sold at market prices ranging from A\$0.235 to A\$0.236 per share, for gross proceeds of A\$3.0M (US\$1.9M). Immediately prior to the sale the shares were revalued to fair value of US\$2.0M based on the closing share price immediately prior to sale. On sale the amount in the Asset Revaluation Reserve associated with those shares of US\$0.1M was transferred to retained earnings (net of tax \$Nil).



NOTE 9. PROPERTY, PLANT AND EQUIPMENT

	Total	Plant and Equipment	Land and Buildings	Construction Work in Progress
	US\$'000	US\$'000	US\$'000	US\$'000 ⁽¹⁾
At 30 June 2023				
Cost	384,866	339,813	9,410	35,643
Accumulated depreciation	(186,938)	(181,281)	(5,657)	-
At 31 December 2023				
Net carrying value				
Opening net book value	197,928	158,532	3,753	35,643
Additions	55,387	690	272	54,425
Depreciation and amortisation expense	(1,483)	(1,481)	(2)	-
Disposals	-	-	-	-
Closing net book value	251,832	157,741	4,023	90,068
Cost	440,253	340,503	9,682	90,068
Accumulated depreciation	(188,421)	(182,762)	(5,659)	-

⁽¹⁾ Construction Work in Progress includes certain items that will be reclassified as Mine Development costs when capitalised.

Change in Accounting Estimate

As a result of the decision to return the LHM to production, there was a change in the basis for depreciating the LHM Plant. Whilst LHM was in Care and Maintenance, relevant tangible non-current assets were depreciated using the Straight Line method. From 1 July 2022, the basis of depreciation changed prospectively to the units of production method over the remaining useful life of the assets resulting in a nil depreciation charge for those assets for the period.

Impairment of Property, Plant and Equipment; Mine Development and Intangibles

Property, plant and equipment; mine development and intangibles are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Since 30 June 2023, there have been no events or changes in circumstances to indicate that the carrying value may not be recoverable.



NOTE 10. MINE DEVELOPMENT

	31 December 2023 US\$'000	30 June 2023 US\$'000
At 30 June 2023		
Cost	76,268	70,180
Accumulated depreciation	(48,116)	(48,116)
Net carrying value		
Opening net book amount	22,064	14,975
Additions	6,088	7,089
Depreciation and amortisation expense	-	-
Closing net book amount	28,152	22,064

Included in Mine Development costs are pre-production costs amounting to US\$6.088M recognised in the period.

Change in Accounting Estimate

As a result of the decision to return the LHM to production, there was a change in the basis for depreciating the LHM Plant. Whilst LHM was in Care and Maintenance, relevant tangible non-current assets were depreciated using the Straight Line method. From 1 July 2022, the basis of depreciation changed prospectively to the units of production method over the remaining useful life of the assets resulting in a nil depreciation charge for those assets for the period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2023



NOTE 11. EXPLORATION AND EVALUATION EXPENDITURE

The following table details the expenditures on interests in mineral properties by area of interest for the period ended 31 December 2023:

	Australia (Valhalla /Skal)	Australia (Isa North)	Australia (Carley Bore)	Canada ⁽¹⁾	Australia (Manyingee/ Other)	Australia (Fusion)	Total
Areas of interest	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance 30 June 2023	39,735	8,269	7,997	31,212	7,717	391	95,321
Expenditure capitalised	82	131	16	2,567	52	67	2,915
Foreign exchange differences	-	-	-	467	-	-	467
Balance 31 December 2023	39,817	8,400	8,013	34,246	7,769	458	98,703

(1) At 30 June 2023 Paladin held a 75% interest in a special purpose joint venture (Michelin Joint Venture) that owns the Michelin Project. In October 2023 Paladin acquired the remaining 25% of the Michelin Joint Venture when the Joint Venture Participants defaulted on their cash obligations. Paladin maintains control over the Michelin Joint Venture resulting in the consolidation of 100% of the Canadian assets.



NOTE 12. COMMITMENTS AND CONTINGENCIES

There were no outstanding commitments or contingencies, which are not disclosed in the Interim Financial Report of the Group as at 31 December 2023 other than:

	31 December 2023 US\$'000	30 June 2023 US\$'000
Tenements		
Commitments for tenements contracted for at the reporting date but not recognised as liabilities, payable:		
Within one year	130	377
Later than one year but not later than 5 years	7,384	3,389
More than 5 years	1,352	433
Total tenements commitments	8,866	4,199

These include commitments relating to tenement lease rentals and the minimum expenditure requirements of the Namibian, Canadian, Western Australian and Queensland Mines Departments attaching to the tenements and are subject to re-negotiation upon expiry of the exploration leases or when application for a mining licence is made.

These are necessary to maintain the tenements in which the Group and other parties are involved.

In relation to the Manyingee Project, the re-negotiated acquisition terms provide for a payment of A\$0.75M (US\$0.5M) (30 June 2023: A\$0.75M (US\$0.5M)) by the Group to the vendors when all project development approvals are obtained.

All parties are committed to meet the conditions under which the tenements were granted in accordance with the relevant mining legislation in Namibia, Australia and Canada.

Other Commitments

Commitments for transport, capital, purchase order commitments, fuel and utilities and other supplies contracted for at the reporting date but not recognised as liabilities, payable:

Within one year ⁽¹⁾	18,434	52,477
Later than one year but not later than 5 years	741	703
More than 5 years	286	376
Total other commitments	19,461	53,556

⁽¹⁾ Includes commitments relating to the Restart Project

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2023

NOTE 13. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Since the 31 December 2023, other than that noted below, the Directors are not aware of any other matter or circumstance not otherwise dealt with in this report, that has significantly or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent periods.

Production activities have commenced with first ore feed into the LHM processing plant on 20 January 2024 following successful commissioning of the beneficiation circuit.

Paladin executed a US\$150 million syndicated debt facility (Debt Facility) on 24 January 2024, with two lending financial institutions, Nedbank Limited, acting through its Corporate and Investment Banking division (Nedbank CIB) and Macquarie Bank Limited, with Nedbank CIB acting as lead arranger and bookrunner.

The Debt Facility comprises:

- A US\$100 million amortising term loan (Term Facility) with a 5-year term; and
- A US\$50 million revolving credit facility (Revolving Facility) with a 3-year term (with two options to extend by 12 months).

Directors' Declaration

In the opinion of the Directors of Paladin Energy Ltd:

- (a) the condensed consolidated financial statements and notes of Paladin Energy Ltd set out in pages 9 to 25 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and its performance for the half-year ended on that date; and
 - (ii) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory reporting requirements; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

On behalf of the Board



Mr Cliff Lawrenson
Chairman
Perth, Western Australia
22 February 2024



Independent auditor's review report to the members of Paladin Energy Ltd

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Paladin Energy Ltd (the Company) and the entities it controlled during the half-year (together the Group), which comprises the Condensed Consolidated Statement of Financial Position as at 31 December 2023, the Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flows and Condensed Consolidated Income Statement for the half-year ended on that date, significant accounting policies and explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Paladin Energy Ltd does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.



Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script that reads 'Justin Carroll'.

Justin Carroll
Partner

Perth
22 February 2024

Paladin Energy Ltd

Pro Forma Condensed Consolidated Financial Statements

31 March 2024

(Unaudited – Expressed in United States Dollars)

The Pro Forma Financial Statements have been compiled from the underlying financial statements of the Parties using accounting policies consistent with Paladin's accounting policies to illustrate the effect of the Arrangement. Adjustments have been made to prepare the Pro Forma Financial Statements, which adjustments are based on certain assumptions. Both the adjustments and the assumptions made in respect thereof are described in the notes to the Pro Forma Financial Statements.

The following unaudited *pro forma* financial information and the unaudited *pro forma* consolidated financial statements are presented for illustrative purposes only and are not intended to reflect: (i) the operating or financial results that would have occurred had the Arrangement actually occurred at the times contemplated by the notes to the Pro Forma Financial Statements; or (ii) of the results expected in future periods.

See next page.

Paladin Energy Ltd

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Paladin Energy Ltd

Pro Forma Consolidated Statement of Financial Position (Unaudited)

As at 31 March 2024

(Expressed in thousands of United States Dollars)

	Paladin	Fission	Pro Forma Adjustments	Note 4	Total
ASSETS					
Current assets					
Cash and cash equivalents	49,964	36,461	(7,500)	A1	64,825
			(691)	A1	
			(120)	A1	
			(13,289)	A2	
Short term investments	-	66,303	-		66,303
Restricted cash	3,027	-	-		3,027
Trade and other receivables	5,437	495	-		5,932
Prepayments	11,342	494	-		11,836
Inventories	35,289	-	-		35,289
Other current assets	3,023	-	-		3,023
Total current assets	108,082	103,753	(21,600)		190,235
Non-current assets					
Trade and other receivables	624	-	-		624
Inventories	67,615	-	-		67,615
Right of use assets	1,640	217	-		1,857
Property, plant and equipment	267,886	81	-		267,967
Mine Development	33,957	-	-		33,957
Intangible assets	7,793	-	-		7,793
Exploration and evaluation expenditure	99,861	286,750	7,500	B	850,945
			456,834	B	
Total Non-current Assets	479,376	287,048	464,334		1,230,758
TOTAL ASSETS	587,458	390,801	442,734		1,420,993
LIABILITIES					
Current liabilities					
Trade and other payables	20,383	1,978	-		22,361
Lease liabilities	278	67	-		345
Provisions	876	-	-		876
Total current liabilities	21,537	2,045	-		23,582
Non-current Liabilities					
Interest Bearing Loans	23,993	-	-		23,993
Other borrowings - CNNC	95,298	-	-		95,298
Lease liabilities	1,273	165	-		1,438
Provisions	40,071	-	-		40,071
Total non-current Liabilities	160,635	165	-		160,800
TOTAL LIABILITIES	182,172	2,210	-		184,382
NET ASSETS	405,286	388,591	442,734		1,236,611
EQUITY					
Contributed Equity	2,649,229	461,809	(691)	C	3,480,674
			832,136	C	

	Paladin	Fission	Pro Forma Adjustments	Note 4	Total
ASSETS					
			(461,809)	C	
Reserves	(71,104)	39,716	(39,716)	D	(71,104)
Accumulated Losses	(2,104,486)	(112,934)	(120)	E	(2,104,606)
			112,934	E	
Non-controlling interest	(68,353)	-	-		(68,353)
TOTAL EQUITY	405,286	388,591	442,734		1,236,611

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

Paladin Energy Ltd

Pro Forma Consolidated Statement of Loss (Unaudited)

For the year ended 30 June 2023

(Expressed in thousands of United States Dollars)

	Paladin	Fission	Pro Forma Adjustments	Note 4	Total
Revenue	-	-	-		-
Cost of sales	-	-	-		-
Gross profit/(loss)	-	-	-		-
Other Income					
Interest received	4,535	1,335	-		5,870
Other income	161	2,134	-		2,295
Total	4,696	3,469	-		8,165
Administration, marketing and non-production costs	(13,372)	(3,843)	(120)	A1	(17,335)
Share based payments	(4,092)	(4,419)	-		(8,511)
Other losses	(512)	-	-		(512)
Foreign exchange gain/(loss) (net)	584	(1)	-		583
Net loss before interest and tax	(12,696)	(4,794)	(120)		(17,609)
Finance cost	(14,362)	(13)	-		(14,375)
Net loss before tax	(27,058)	(4,807)	(120)		(31,984)
Income tax expense	-	-	-		-
Net loss after tax	(27,058)	(4,807)	(120)		(31,984)
Net loss for the year is attributable to:					
Non-controlling interest	(16,486)	-	-		(16,486)
Members of the parent	(10,572)	(4,807)	(120)		(15,498)
	(27,058)	(4,807)	(120)		(31,984)
Pro forma loss per share (US cents)					
Pro forma loss per share after tax from operations attributable to ordinary equity holders of Paladin Energy Ltd:					
- continuing operations, basic and diluted (Note 6)	(0.4)				(0.5)

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

Paladin Energy Ltd

Pro Forma Consolidated Statement of Profit/(Loss) (Unaudited)

For the nine-month period ended 31 March 2024

(Expressed in thousands of United States Dollars)

	Paladin	Fission	Pro Forma Adjustments	Note 4	Total
Revenue	-	-	-		-
Cost of sales	-	-	-		-
Gross profit/(loss)	-	-	-		-
Other Income					
Interest received	2,037	2,292	-		4,329
Other income	60	2,003	-		2,063
Total	2,097	4,295	-		6,392
Administration, marketing and non-production costs	(10,319)	(3,966)	-		(14,285)
Share based payments	(1,777)	(4,143)	-		(5,920)
Other gains	67	371	-		438
Impairment reversal	92,195	-	-		92,195
Foreign exchange loss (net)	(611)	(1)	-		(612)
Net profit/(loss) before interest and tax	81,652	(3,444)	-		78,208
Finance cost	(8,141)	(12)	-		(8,153)
Net profit/(loss) before tax	73,511	(3,456)	-		70,055
Income tax expense	(4,621)	-	-		(4,621)
Net profit/(Loss) after income tax	68,890	(3,456)	-		65,434
Net profit for the period is attributable to:					
Non-controlling interest	11,995	-	-		11,995
Members of the parent	56,895	(3,456)	-		53,439
	68,890	(3,456)	-		65,434
Net pro forma profit/(loss) per share (US cents)					
Pro forma profit per share for profit attributable to ordinary equity holders of Paladin Energy Ltd:					
- continuing operations, basic (Note 6)	19.1				13.6
- continuing operations, diluted (Note 6)	18.9				13.5

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements

1. BASIS OF PRESENTATION

The unaudited pro forma condensed consolidated financial statements (the "Pro Forma Financial Statements") have been prepared by the management of Paladin Energy Ltd ("Paladin") to illustrate the pro forma impact of the acquisition by Paladin of Fission Uranium Corp ("Fission" and the "Acquisition"), upon and subject to the terms and conditions of the arrangement agreement on 24 June 2024.

The Pro Forma Financial Statements give pro forma effect to the Acquisition in accordance with Section 8.4(7) of NI 51-102, as such the unaudited pro forma consolidated statement of financial position and accompanying notes as at 31 March 2024 has been prepared as if the Acquisition described in Note 3 had occurred on 31 March 2024. The unaudited pro forma consolidated statement of profit or loss for the year ended 30 June 2023 and the nine months ended 31 March 2024 and accompanying notes have been prepared as if the Acquisition described in Note 3 had occurred on 1 July 2022.

The Pro Forma Financial Statements are being provided solely for illustrative and informational purposes and are not necessarily indicative of the consolidated financial position and consolidated results of operations that would have been achieved if the Acquisition had been completed on the dates or for the periods presented, nor do they claim to project the results of consolidated operations or financial position for any future period or as of any future date. Any potential new revenue-generating opportunities, synergies that may be realized and integration costs that may be incurred after the acquisition date as a result of the Acquisition have been excluded from these Pro Forma Financial Statements.

The assumptions and adjustments described in Note 4 include assumptions and adjustments required to present amounts reported by Paladin consistent with International Financial Reporting Standards ("IFRS") and their interpretations issued by the International Accounting Standards Board ("IASB"). The Pro Forma Financial Statements have been prepared using the following information and such other supplementary information as was considered necessary to reflect the Acquisition:

Financial Statement	Description
For the unaudited pro forma statement of financial position as of 31 March 2024	<ul style="list-style-type: none"> <li data-bbox="528 1466 1382 1535">(i) The unaudited accounting books and records of Paladin as of and for the nine months ended 31 March 2024. <li data-bbox="528 1545 1406 1694">(ii) The unaudited statement of financial position of Fission as of 31 March 2024, translated from Canadian Dollars to US dollars using the period end 31 March 2024 exchange rate of US\$:CAD 1.3574. Refer to Note 8.1 for the reconciliation.

<p>For the unaudited pro forma statement of profit or loss for year ended 30 June 2023</p>	<p>(i) The audited consolidated statement of profit or loss for Paladin for the year ended 30 June 2023.</p> <p>(ii) The unaudited consolidated statement of loss of Fission for the twelve months ended 30 June 2023, translated from Canadian Dollars to US dollars using the average exchange rate for the year ended 30 June 2023 of US\$:CAD 1.3397. The unaudited consolidated statement of loss of Fission for the twelve months ended 30 June 2023 has been derived by aggregating the audited consolidated statement of loss of Fission for the year ended 31 December 2022 and the unaudited interim consolidated statement of loss of Fission for the six months ended 30 June 2023, and subtracting the unaudited interim consolidated statement of loss of Fission for the six months ended 30 June 2022. This unaudited consolidated statement of profit or loss of Fission for the twelve months ended 30 June 2023 was prepared for the purpose of these Pro Forma Financial Statements and does not conform with the financial statements of Fission incorporated by reference in this Circular. Refer to Note 8.2 for the reconciliation.</p>
<p>For the unaudited pro forma statement of profit or loss for the nine months ended 31 March 2024</p>	<p>(i) The unaudited accounting books and records of Paladin as of and for the nine months ended 31 March 2024.</p> <p>(ii) The unaudited condensed interim consolidated statement of loss of Fission for the nine months ended 31 March 2024, translated from Canadian Dollars to US dollars using the average exchange rate for the nine months ended 31 March 2024 of US\$:CAD 1.3506. Refer to Note 8.3 for the reconciliation.</p>

The Pro Forma Financial Statements do not include all of the information and disclosures required by IFRS and should be read in conjunction with the description of transactions in the Notices of Annual and Special Meetings and Joint Management Information Circular of Paladin and Fission and historical consolidated financial statements, together with the notes thereto, of Paladin and Fission, referred to above. The historical consolidated financial statements for Fission are available at www.sedarplus.ca and the historical consolidated financial statements of Paladin are included elsewhere in this Circular.

The historical consolidated financial statements have also been adjusted in the Pro Forma Financial Statements pursuant to the assumptions and adjustments as described in Note 4 to give effect to pro forma events that are:

- (i) directly attributable to the Acquisition, and
- (ii) factually supportable.

The pro forma adjustments contained in these Pro Forma Financial Statements reflect estimates and assumptions by the management of Paladin based on currently available information.

In the opinion of Paladin's management, these Pro Forma Financial Statements include all adjustments reasonably necessary for a fair presentation of the Acquisition to the Pro Forma Financial Statements and applied on a basis consistent with Paladin's accounting policies.

Unless otherwise indicated, all amounts presented in these financial statements are denominated in thousands of United States dollars.

2. MATERIAL ACCOUNTING POLICIES

The material accounting policies used in the preparation of the Pro Forma Financial Statements are consistent with those disclosed in Paladin's audited consolidated financial statements for the year ended 30 June 2023, which have been prepared in accordance with IFRS as issued by IASB.

In preparing the Pro Forma Financial Statements, a review of available information was undertaken to identify accounting policy differences between Paladin and Fission. Certain assets, liabilities and expenses of Fission have been reclassified to conform to Paladin's financial statements presentation and the presentation of the consolidated statement of loss have been changed in the Pro Forma Financial Statements.

3. DESCRIPTION OF THE ACQUISITION

On 24 June 2024, Paladin and Fission entered into a definitive arrangement agreement (the "Arrangement Agreement") providing for the acquisition of all of the issued and outstanding common shares in the capital of Fission (the "Fission Shares") pursuant to a plan of arrangement (the "Plan of Arrangement") under the Business Corporations Act (British Columbia) (the "Arrangement").

Subject to the terms and provisions of the Arrangement Agreement, Paladin will issue its ordinary shares (the "Paladin Shares") to Fission's shareholders on the basis of 0.1076 Paladin Shares for each 1 (one) Fission Share. Based on the number of Fission Shares outstanding as at 24 June 2024, pursuant to the Plan of Arrangement, the holders of Fission Shares will receive 94,659,601 Paladin Shares.

In preparing these unaudited Pro Forma Financial Statements, Paladin has assumed that the consideration will be paid entirely in shares, to reflect the expectation that remaining cash balances are likely to be used for ongoing business purposes.

The issuance of Paladin Shares to all Fission shareholders constitutes Paladin obtaining control over

the net assets of Fission, and therefore Paladin has been identified as the acquirer for accounting purposes. The Pro Forma Financial Statements represent the continuance of Paladin.

As management does not believe the assets of Fission meet the definition of a business in IFRS 3, Business Combinations ("IFRS 3"), the Acquisition is not within the scope of IFRS 3. Rather, the Acquisition will be accounted for within the scope of IFRS 2, Share-based Payment. Accordingly, the Pro Forma Financial Statements assume that the cost of the Acquisition will be based on the fair value of Paladin's common shares to be issued by Paladin and related acquisition costs. The consideration paid has been first allocated to the monetary net assets and the residual value will be allocated to the non-monetary assets based on their estimated relative fair values at the time of closing of the Arrangement and are based on preliminary management estimates and are subject to final valuation adjustments.

The preliminary estimates of the consideration paid, and the net assets acquired, which are subject to change, are summarized as follows:

For illustrative purposes in the Pro Forma Financial Statements, the consideration paid is calculated as 94,659,601 ordinary shares of Paladin to be issued by Paladin measured at the closing price of A\$13.24 on 21 June 2024, which is the last trading day prior the ASX announcement of the Arrangement Agreement on 24 June 2024, using a foreign exchange rate of US\$1:A\$1.506 (as noted on the Oanda website). These carrying values are used provisionally and solely for illustrative purposes.

	US\$'000
Consideration paid	
94,659,601 common shares of Paladin to be issued	832,136
Paladin's transaction costs	7,500
	839,636
Net Assets Acquired	
Cash and cash equivalents ⁽¹⁾	23,172
Short-term investments	66,303
Other receivables and prepayments	989
Right of use assets	217
Property, plant and equipment	81
Exploration and evaluation expenditure	751,084
Accounts payable and accrued liabilities	(1,978)
Lease Liabilities	(232)
	839,636

⁽¹⁾Fission's estimated costs to be incurred after 31 March 2024, and associated with the Arrangement amounted to \$13,289 have been deducted from Fission's cash and cash equivalents balance acquired.

4. ADJUSTMENTS TO THE PRO FORMA FINANCIAL STATEMENTS

The pro forma adjustments contained in these Pro Forma Financial Statements are based on estimates and assumptions made by Paladin's management, prepared using currently available information. The actual adjustments for the Acquisition may differ as a result of changes between 31 March 2024, and the determination of the final purchase price and from the evaluation of the fair value of the net assets acquired. These changes may affect the fair value of the assets and liabilities acquired, and any such adjustments may be material. The following assumptions and adjustments have been made to give effect to the Acquisition:

The foreign exchange rate used is as of 21 June 2024. Share prices used are as of 21 June 2024. Should there be a change in foreign exchange rate or share prices at the date of the Acquisition, the pro forma adjustments may be materially different.

Paladin has assumed there are no dissenting shareholders, and the entire purchase consideration is being paid in the form of shares issued by Paladin.

The names of certain financial statement line items have been changed to align with Paladin's naming convention. Refer to Note 8 for a reconciliation of Fission's figures.

Acquisition of Fission

As part of the acquisition of Fission, Paladin will issue approximately 94,659,601 Paladin Shares in exchange for all of the issued and outstanding Fission Shares and Options.

The fair value of the consideration paid by Paladin for Fission is based on the fair value of the Paladin Shares issued by Paladin. The identifiable assets acquired, and liabilities of Fission assumed by Paladin are measured at their cost relative to their fair values using closing price of the Paladin Shares on the Australian Securities Exchange the day prior to the announcement of the Arrangement Agreement on 24 June 2024.

The following table details the pro forma adjustments to record the Fission acquisition described in Note 3.

Pro forma adjustment	Description	US\$'000
A1	To reflect Paladin's estimated transaction costs (excluding \$542 already paid as at 31 March 2024). Out of Paladin's total transaction costs, \$7,500 are to be capitalized as a component of the cost of net assets acquired and \$691 are to be capitalized as a deduction of equity for costs related to shares issuance, with the remaining \$120 being expensed to profit or loss	(7,500) (691) (120)
A2	To reflect Fission's estimated transaction costs prior to completion of transaction including the change of control payments payable to Fission's employees and contractor following the Arrangement	(13,289)

Paladin Energy Ltd
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Pro forma adjustment	Description	US\$'000
B	<u>Net Adjustment to Exploration and evaluation:</u>	464,334
	To reflect the acquisition of Fission by Paladin as described in Note 3, in particular for the exploration and evaluation assets acquired related to the residual value of the consideration paid not allocated to other assets acquired or liabilities assumed	456,834
	To reflect the acquisition of Fission by Paladin as described in Note 3, in particular for the capitalization of transaction costs noted in adjustment A1 to exploration and evaluation assets.	7,500
C	<u>Net Adjustment to Contributed Equity:</u>	369,637
	To increase the contributed equity to reflect the face value of \$13.24AUD (US\$8.79) of the 94,659,601 common shares of Paladin issued as purchase consideration to existing shareholders of Fission	832,137
	To eliminate the entire contributed equity of Fission	(461,809)
	To reflect the transaction costs incurred to issue Paladin shares as consideration to existing shareholders of Fission	(691)
D	To eliminate the other capital reserves balance of Fission	(39,716)
E	<u>Net Adjustment to accumulated losses:</u>	112,814
	To reflect the portion of Paladin's estimated transaction costs to be expensed	(120)
	To eliminate the accumulated loss balance of Fission	112,934

5. PRO FORMA SHARE CAPITAL

Share capital as at 31 March 2024 in the pro forma consolidated statement of financial position is comprised of the following:

	Number of Shares	Share Capital US\$'000
Paladin ordinary shares outstanding at 31 March 2024	298,470,523	2,649,229
Shares to be issued to acquire Fission	94,659,601	832,137
Less: Transaction costs incurred to issue shares	-	(691)

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	393,130,124	3,480,675
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⁽¹⁾Taking into consideration the PDN exchange ratio 0.1076.

6. PRO FORMA NET PROFIT/(LOSS) PER SHARE

The following table illustrates the pro forma basic and diluted weighted average common shares outstanding for the year ended 30 June 2023 and the nine months ended 31 March 2024 after giving effect to the Acquisition.

Note that the number of common shares outstanding for Paladin in both periods has been amended to reflect the 10:1 share consolidation undertaken in April 2024.

	Nine months ended 31 March 2024	Year ended 30 June 2023
	US\$'000	US\$'000
Pro forma net profit/(loss) attributable to members	53,439	(15,650)
Pro forma net profit/(loss) per share – basic and diluted		
Historical number of Paladin's common shares outstanding ⁽¹⁾	298,470,523	297,939,149
Shares to be issued for Fission Acquisition	94,659,601	94,659,601
Pro forma number of common shares outstanding	393,130,124	392,598,750
Pro Forma net profit/(loss) per share – basic (US cents)	13.6	(0.5)
Pro Forma net profit/(loss) per share – diluted (US cents)	13.5	(0.5)

⁽¹⁾Taking into consideration the PDN exchange ratio 0.1076.

7. INCOME TAX

The deferred tax liability arising on Paladin's acquisition of the shares of Fission has not been recognised as the initial recognition exemption would apply under asset acquisition accounting method.

8. FISSION FINANCIAL STATEMENT RECONCILIATION

8.1. UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF FISSION AS OF 31 MARCH 2024

Fission caption	Paladin caption			Classification Adjustments US\$'000	Fission Adjusted US\$'000
		CAD'000	US\$'000		
Assets	Assets				
Current assets	Current assets				
Cash and cash equivalents	Cash and cash equivalents	49,492	36,461	-	36,461
Short term investments	-	90,000	66,303	-	66,303
Amounts receivable	Trade and other receivables	673	495	-	495
Prepaid expenses	Prepayments	670	494	-	494
-	Total current assets	140,835	103,753	-	103,753
Non-current assets					
Right-of-use assets	Right-of-use assets	294	217	-	217
Property and equipment	Property, plant and equipment	110	81	-	81
Exploration and evaluation assets	Exploration and evaluation expenditure	389,234	286,750	-	286,750
-	Total Non-current Assets	389,638	287,048	-	287,048
-	Total Assets	530,473	390,801	-	390,801
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	Trade and other payables	2,685	1,978	-	1,978
Lease obligations – current portion	Lease liabilities	91	67	-	67
-	Total Current Liabilities	2,776	2,045	-	2,045
Non-current Liabilities	Non-current Liabilities				
Lease obligations	Lease liabilities	224	165	-	165
-	Total Non-current Liabilities	224	165	-	165
Total Liabilities	Total Liabilities	3,000	2,210	-	2,210
-	Net Assets	527,473	388,591	-	388,591
Equity					
Share capital	Contributed Equity	626,859	461,809	-	461,809
Other capital reserves	Reserves	53,911	39,716	-	39,716
Deficit	Accumulated losses	(153,297)	(112,934)	-	(112,934)
-	Total Equity	527,473	388,591	-	388,591

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Notes:

- (i) The statement of financial position of Fission as at 31 March 2024 has been extracted without material adjustment from the unaudited statement of financial position of Fission as of 31 March 2024, and have been adjusted to reflect Paladin’s presentation.
- (ii) The statement of financial position of Fission as of 31 March 2024 has been translated from Canadian Dollars (CAD) to US\$ using the 31 March 2024 period end exchange rate of US\$:CAD 1.3574.
- (iii) The names of certain financial statement line items have been changed to align with Paladin’s naming convention.

8.2. UNAUDITED CONSOLIDATED STATEMENT OF LOSS OF FISSION FOR THE TWELVE MONTHS ENDED 30 JUNE 2023

Fission caption	Paladin caption	Year ended 31 December 2022	Six months ended 30 June 2022	Six months ended 30 June 2023	Twelve months ended 30 June 2023		Classification adjustments	Twelve months ended 30 June 2023
		CAD'000	CAD'000	CAD'000	CAD'000	US\$'000	US\$'000	US\$'000 Adjusted
		A	B	C	D=A-B+C			
Expenses	Expenses	(i)	(ii)	(iii)	(iv)	(v)	(vi)	
Business development	-	236	43	-	193	144	(144)	-
Wages, consulting and director's fees	-	2,297	772	1,002	2,527	1,886	(1,886)	-
Public relations and corporate development	-	796	333	775	1,238	924	(924)	-
Office and administration	-	804	481	503	826	617	(617)	-
Professional fees	-	232	162	213	283	211	(211)	-
Share-based compensation	Share-based payments	4,947	3,588	4,561	5,920	4,419	-	4,419
Depreciation	-	81	39	40	82	61	(61)	-
-	Administration, marketing and non-production costs	-	-	-	-	-	3,843	3,843
		9,392	5,418	7,094	11,068	8,262	-	8,262
Other items – income/(expense)	-							
Foreign exchange income (loss)	Foreign exchange loss (net)	(4)	(4)	(2)	(2)	(1)	-	(1)
Interest and miscellaneous income	Interest received	917	253	1,125	1,789	1,335	-	1,335
Interest – lease obligations	-	(18)	(9)	(8)	(17)	(13)	13	-
Gain on investment in F3 Uranium Corp.	-	1,081	(1,509)	269	2,859	2,134	(2,134)	-
Financing costs – credit facility	-	(1,450)	(1,450)	-	-	-	-	-
Loss on short-term investments	-	(304)	(304)	-	-	-	-	-
Gain on warranty liability	-	411	411	-	-	-	-	-
-	Other income	-	-	-	-	-	2,134	2,134
-	Finance cost	-	-	-	-	-	(13)	(13)
		633	(2,612)	1,384	4,629	3,455	-	3,455
Net loss	Net loss for the period	(8,759)	(8,030)	(5,710)	(6,439)	(4,807)	-	(4,807)

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Notes:

- (i) The consolidated statement of net loss and comprehensive loss of Fission for the year ended 31 December 2022 has been extracted without material adjustments from the audited consolidated financial statements of Fission for the year ended 31 December 2022.
- (ii) The consolidated statement of net loss and comprehensive loss of Fission for the six months ended 30 June 2022 has been extracted without material adjustments from the unaudited interim consolidated financial statements of Fission for the six months ended 30 June 2022.
- (iii) The consolidated statement of net loss and comprehensive loss of Fission for the six months ended 30 June 2023 has been extracted without material adjustments from the unaudited interim consolidated financial statements of Fission for the six months ended 30 June 2023.
- (iv) The unaudited consolidated statement of loss of Fission for the twelve months ended 30 June 2023 has been derived by aggregating the audited consolidated statement of loss of Fission for the year ended 31 December 2022 and the unaudited interim consolidated statement of loss of Fission for the six months ended 30 June 2023, and subtracting the unaudited interim consolidated statement of loss of Fission for the six months ended 30 June 2022.
- (v) The average exchange rate for the twelve months ended 30 June 2023 of US\$:CAD 1.3397 has been used for translating the Fission Canadian Dollar (CAD) balances to United States Dollars (US\$).
- (vi) The following reclassifications were made to reflect the difference in accounting presentation under Fission's presentation as opposed to that of Paladin:
 - a. The following expenses and other items appearing in the statement of net loss and comprehensive loss of Fission have been aggregated together into the line item "Administration, marketing and non-production costs": Business development, Wages, consulting and director's fees, Public relations and corporate development, Office and administration, Professional fees, and Depreciation.
 - b. Gain on investment in F3 Uranium Corp. has been included as other income.
 - c. Finance costs includes Financing costs – Interest – lease obligations.
 - d. The names of certain financial statement line items have been changed to align with Paladin's naming convention. Except as noted in a., b. and c. above, there are no other changes to these line items other than alignment of naming conventions.

Paladin Energy Ltd
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8.3. UNAUDITED CONSOLIDATED STATEMENT OF LOSS OF FISSION FOR THE NINE MONTHS ENDED 31 MARCH 2024

Fission caption	Paladin caption	Year ended 31 December 2023	Six months ended 30 June 2023	Three months ended 31 March 2024	Nine months ended 31 March 2024		Classification adjustments	Nine months ended 31 March 2024
		CAD'000	CAD'000	CAD'000	CAD'000	US\$'000		US\$'000
		A	B	C	D=A-B+C			
Expenses	Expenses	(i)	(ii)	(iii)	(iv)	(v)	(vi)	
Wages, consulting & directors fees	-	2,773	1,002	696	2,467	1,827	(1,827)	-
Public relations and corporate development	-	1,676	775	505	1,406	1,041	(1,041)	-
Office and administration	-	899	503	380	776	574	(574)	-
Professional fees	-	545	213	286	618	457	(457)	-
Share-based compensation	Share-based payments	6,375	4,561	3,781	5,595	4,143	-	4,143
Depreciation	-	98	40	32	90	67	(67)	-
-	Administration, marketing and non-production costs	-	-	-	-	-	3,966	3,966
		12,366	7,094	5,680	10,952	8,109	-	8,109
Other items – income/(expense)								
Foreign exchange income (loss)	Foreign exchange loss (net)	(2)	(2)	(1)	(1)	(1)	-	(1)
Interest and miscellaneous income	Interest received	2,695	1,125	1,525	3,095	2,292	-	2,292
Interest – lease obligations	-	(18)	(8)	(6)	(16)	(12)	12	-
Gain on investment in F3 Uranium Corp.	-	770	269	-	501	371	(371)	-
Flow through premium recovery	-	-	-	2,706	2,706	2,003	(2,003)	
-	Other income	-	-	-	-	-	2,374	2,374
-	Finance cost	-	-	-	-	-	(12)	(12)
		3,445	1,384	4,224	6,285	4,653	-	4,653
Net loss	Net loss for the period	(8,921)	(5,710)	(1,456)	(4,667)	(3,456)	-	(3,456)

Paladin Energy Ltd
Notes to the Pro Forma Condensed Consolidated Financial Statements
(Unaudited – Expressed in United States Dollars, except per share amounts)

Notes:

- (i) The consolidated statement of net loss and comprehensive loss of Fission for the year ended 31 December 2023 has been extracted without material adjustments from the audited consolidated financial statements of Fission for the year ended 31 December 2023.
- (ii) The consolidated statement of net loss and comprehensive loss of Fission for the six months ended 30 June 2023 has been extracted without material adjustments from the unaudited interim consolidated financial statements of Fission for the six months ended 30 June 2023.
- (iii) The consolidated statement of net loss and comprehensive loss of Fission for the three months ended 31 March 2024 has been extracted without material adjustments from the unaudited interim consolidated financial statements of Fission for the three months ended 31 March 2024.
- (iv) The unaudited consolidated statement of loss of Fission for the nine months ended 31 March 2024 has been derived by aggregating the audited consolidated statement of loss of Fission for the year ended 31 December 2023 and the unaudited interim consolidated statement of loss of Fission for the three months ended 31 March 2024, and subtracting the unaudited interim consolidated statement of loss of Fission for the six months ended 30 June 2023.
- (v) The average exchange rate for the nine months ended 31 March 2024 of US\$:CAD 1.3506 has been used for translating the Fission Canadian Dollar (CAD) balances to US\$.
- (vi) The following reclassifications were made to reflect the difference in accounting presentation under Fission's presentation as opposed to that of Paladin:
 - a. The following expenses and other items appearing in the statement of loss of Fission have been aggregated together into the line item "Administration, marketing and non-production costs": Wages, consulting and director's fees, Public relations and corporate development, Office and administration, Professional fees, and Depreciation.
 - b. Flow through share premium and Gain on investment in F3 Uranium Corp have been included as other income.
 - c. Finance costs includes interest – lease obligations.
 - d. The names of certain financial statement line items have been changed to align with Paladin's naming convention. Except as noted in a., b. and c. above, there are no other changes to these line items other than alignment of naming conventions.

APPENDIX H
INFORMATION CONCERNING THE COMBINED COMPANY

Notice to Reader

The following information about the Combined Company following completion of the Arrangement should be read in conjunction with the information concerning Fission and Paladin, as applicable, appearing elsewhere in this Circular.

General

On completion of the Arrangement, the Combined Company will own, indirectly through the Purchaser, all of the Fission Shares and Fission will be an indirect wholly-owned subsidiary of the Combined Company. Immediately following completion of the Arrangement, former Fission Shareholders (other than Dissenting Shareholders and Ineligible Shareholders) will be shareholders of the Combined Company.

The current directors and officers of Paladin will continue to be the directors and officers of the Combined Company upon completion of the Arrangement. All of the current directors of Fission will resign concurrently with the completion of the Arrangement. The current senior officers of Fission are expected to continue as officers of Fission following completion of the Arrangement.

Following completion of the Arrangement, the Combined Company's registered office and principal place of business will be located at Level 11, 197 St Georges Terrace, Perth, Western Australia, Australia 6000.

The Combined Company will continue to be a corporation existing under the ACA. It is anticipated that, after completion of the Arrangement, the Combined Company will continue to be a reporting issuer in Ontario, and the Paladin Shares will trade on the ASX, TSX, NSX and OTCQX under the symbol "PDN" and on the Munich, Berlin, Stuttgart and Frankfurt Stock Exchanges under the symbol "PUR".

Description of the Business

On completion of the Arrangement, the business and business objectives of the Combined Company will be the business and business objectives of Paladin, with an increased focus on the development of PLS. Upon completion of the Arrangement, it is expected that the Langer Heinrich Mine and PLS will be the only mineral properties of the Combined Company that are considered material for the purposes of NI 43-101.

Intercorporate Relationships

The table below sets out the Combined Company's material subsidiaries upon the completion of the Arrangement.

Name	Jurisdiction	% of Voting Securities Held (directly or indirectly)
Langer Heinrich Mauritius Holdings Ltd	Mauritius	75%
Langer Heinrich Uranium (Pty) Limited	Namibia	75%
Paladin Finance Pty Ltd	Australia	75%
Fission Uranium Corp.	Canada	100%

Description of Share Capital

The authorized share capital of the Combined Company following completion of the Arrangement will continue to be as described under Appendix G to the Circular, and the rights and restrictions of the Paladin Shares will remain unchanged.

Upon the completion of the Arrangement, the rights of former Fission Shareholders who receive Paladin Shares under the Arrangement will be governed by Australian law. While the rights and privileges of shareholders of an Australian company are, in many instances, comparable to those of shareholders of a CBCA company, there are certain differences. Those differences which management of Fission and Paladin feel are most material to Fission Shareholders are summarized in Appendix J to the Circular. Such comparison is a summary only and is not exhaustive, and may not address all the differences between the CBCA and those Australian Laws that a Fission Shareholder may find relevant. Fission Shareholders should consult their legal advisors regarding all of the implications of the effects of the Arrangement on such Fission Shareholders' rights.

Post-Arrangement Shareholdings and Principal Shareholders

Based on the number of Fission Shares and Paladin Shares outstanding as of the date of this Circular, former Fission Shareholders are anticipated to collectively own approximately 24.0% of the outstanding Paladin Shares on a fully diluted basis immediately after the Effective Time.

To the knowledge of the directors and executive officers of Paladin and Fission, immediately following completion of the Arrangement, no persons or companies will beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to Paladin Shares.

Auditor, Transfer Agent and Registrar

Following completion of the Arrangement, the external auditor of the Combined Company will continue to be PwC Australia, and the transfer agent and registrar for the Paladin Shares will be Computershare Investor Services Pty Ltd.

Risk Factors

The business and operations of the Combined Company following completion of the Arrangement will continue to be subject to the risks currently faced by Paladin and Fission, as well as those certain risks unique to the Combined Company following completion of the Arrangement set out under the heading "*Risk Factors*" in this Appendix Appendix G to the Circular. Readers should carefully consider the risk factors related to Paladin described under the heading "*Risk Factors*" in Appendix G to this Circular and in Paladin's annual report for the year ended June 30, 2023 which is appended as Exhibit I to this Appendix, and the risk factors related to Fission described in Fission's annual information form for the year ended December 31, 2023, a copy of which can be found on Fission's SEDAR+ profile at www.sedarplus.com.

If any of the identified risks were to materialize, the Combined Company's business, financial position, results and/or operations may be materially affected.

The risks identified in the Circular (including Appendix G thereto), Paladin's annual report for the year ended June 30, 2023 and Fission's annual information form for the year ended December 31, 2023 are not exhaustive and other factors may arise in the future that are currently not foreseen that may present additional risks for the Combined Company.

APPENDIX I
DISSENT PROVISIONS OF THE CBCA

Pursuant to the Interim Order, Fission Shareholders have the right to dissent in respect of the Arrangement in accordance with Section 190 of the CBCA, as modified by the Plan of Arrangement and the Interim Order (as such terms are defined in the Circular). Such right to dissent is described in the Circular. The full text of section 190 of the CBCA is set forth below.

Right to dissent

190. (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to:

- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;
- (b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;
- (c) amalgamate otherwise than under section 184;
- (d) be continued under section 188;
- (e) sell, lease or exchange all or substantially all its property under subsection 189(3); or
- (f) carry out a going-private transaction or a squeeze-out transaction.

Further right

(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

If one class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Payment for shares

(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

No partial dissent

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

Notice of resolution

(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

Demand for payment

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing:

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares.

Share certificate

(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Forfeiture

(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

Endorsing certificate

(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

Suspension of rights

(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where:

- (a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),
- (b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or
- (c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

Offer to pay

(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice:

(a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Same terms

(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

Payment

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Corporation may apply to court

(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

Shareholder application to court

(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

Venue

(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

No security for costs

(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

Parties

(19) On an application to a court under subsection (15) or (16),

(a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

Powers of court

(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

Appraisers

(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

(22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

Interest

(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Notice that subsection (26) applies

(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Effect where subsection (26) applies

(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may:

(a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Limitation

(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that:

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

APPENDIX J COMPARISON OF RIGHTS OF SHAREHOLDERS

The following is a summary of certain differences between the CBCA and the ACA, but it is not intended to be a comprehensive review of the two statutes. Reference should be made to the full text of both statutes and the regulations thereunder for particulars of any differences between them, and shareholders should consult their own legal or other professional advisors with regard to all of the implications of the Arrangement which may be of importance to them.

Charter Documents

Under the CBCA, the charter documents consist of a corporation's articles of incorporation, which set forth, among other things, the name of the corporation and the amount and type of authorized capital, and by-laws, which govern the management of the corporation.

Under Australian law, a corporation's constitution is the principal document which governs all matters related to the internal management of the corporation. The rules of the constitution are supplemented by relevant provisions in the ACA.

Director Residency Requirements and Election of Directors

The CBCA requires a distributing corporation whose shares are held by more than one person to have a minimum of three directors, at least two of whom are not officers or employees of the corporation or its affiliates. The CBCA also requires that at least one-quarter of the directors be resident Canadians. If a corporation has less than four directors, at least one director must be a resident Canadian. Subject to certain exceptions, an individual has to be a Canadian citizen or permanent resident ordinarily resident in Canada to be considered a resident Canadian under the CBCA. Shareholders of a corporation shall, by ordinary resolution at the first meeting of shareholders and at each succeeding annual meeting at which an election of directors is required, elect directors to hold office for a term ending not later than the close of the next annual meeting of shareholders following the election. Under the CBCA, a vacancy among the directors created by the removal of a director may be filled at a meeting of shareholders at which the director is removed. The CBCA also allows a vacancy on the board of directors to be filled by a quorum of directors, except when the vacancy results from an increase in the number or minimum or maximum number of directors or from a failure to elect the number required to be elected at each shareholder meeting.

Under the ACA, at least two directors must ordinarily reside in Australia. Under the official listing rules of the ASX, as varied, waived or modified from time to time (the "**ASX Listing Rules**"), no director shall hold office past the third consecutive annual general meeting following the director's appointment or three years (whichever is longer) without submitting themselves for re-election. The director or directors to retire are those who have been longest in office since their election and, as between those who became directors on the same day, as determined by lot unless they otherwise agree. A retiring director is eligible for re-election. The managing director is exempt from retirement by rotation. The board of directors has the power to appoint a person to be a director, either to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors does not at any time exceed the maximum number of directors provided for by the corporation's constitution (Paladin's constitution currently sets the maximum as nine directors). Any director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation (if any) at that meeting.

Removal of Directors

The CBCA provides that the shareholders of a corporation may remove one or more directors by an ordinary resolution at an annual meeting or special meeting. The CBCA further provides that where the holders of any class or series of shares of a corporation have an exclusive right to elect one or more directors, a director so elected may only be removed by an ordinary resolution at a meeting of the shareholders of that class or series.

The ACA provides that the shareholders of a public corporation may by ordinary resolution remove a director from office. Notice of intention to move the resolution to remove the relevant director must be given to the corporation at least 2 months before the meeting is held.

Calling Meetings of Shareholders

Under the CBCA, a corporation must hold an annual meeting of shareholders at least once in each calendar year and not more than 15 months after the last preceding annual meeting but no later than six months after the end of the corporation's preceding financial year. The CBCA provides that the board of directors of a corporation may call a meeting of shareholders at any time. The CBCA further provides that the holders of not less than 5% of the issued shares of a corporation that carry the right to vote at general meetings, at the date on which the requisition is received by the corporation, may requisition the directors to call a general meeting of the shareholders for the purposes stated in the requisition. If the directors do not call a meeting within 21 days of receiving the requisition, any shareholder who signed the requisition may call the meeting.

Under the ACA, the annual general meeting of a corporation is required to be held within five months after the end of its financial year. A general meeting of a corporation may be called from time to time by the board of directors of the corporation, individual directors or by shareholders in the circumstances set out below. When requested to do so by shareholders holding at least 5% of the votes that may be cast at the meeting, directors must call a general meeting within 21 days after the request is given to a corporation, and the meeting must be held not later than two months after the date upon which that request is first given. Alternatively, shareholders holding at least 5% of the votes that may be cast at the meeting may themselves call, and arrange to hold, a general meeting.

Place of Meetings

Subject to certain exceptions, the CBCA provides that meetings of shareholders shall be held at any place within Canada provided by the by-laws, or in the absence of such a provision, at the place within Canada that the directors determine. Meetings of shareholders may be held outside of Canada if the place is specified in the articles or if all the shareholders entitled to vote at the meeting agree that the meeting is to be held at that place.

Under the CBCA, fully virtual meetings of shareholders are permitted. Unless the corporation's by-laws provide otherwise, any person entitled to attend a meeting of shareholders may participate in the meeting, in accordance with the regulations, if any, by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the corporation makes available such a communication facility.

Under the ACA, meetings of shareholders can be held: (i) at one or more physical venues; (ii) at one or more physical venues and using virtual meeting technology; or (iii) using virtual meeting technology only if this is required or permitted by the corporation's constitution expressly (Paladin's constitution does not currently require or permit virtual only meetings).

Notice of Meetings

The CBCA requires that notice of a meeting of shareholders must be provided not less than 21 days and not more than 60 days before the meeting to each shareholder entitled to vote at the meeting. Management proxy circulars, in the required form, are required to be provided under applicable Canadian securities law, for any solicitation of proxies by management.

The ACA requires that notice of a general meeting of shareholders must be given at least 28 days before the date of the proposed meeting. A corporation is required to give notice only to shareholders entitled to vote at the meeting, as well as its directors and auditors.

Quorum

The CBCA provides that, unless the by-laws of a corporation otherwise provide, a quorum of shareholders is present at a meeting of shareholders, irrespective of the number of persons actually present at the meeting, if the holders of a majority of the shares entitled to vote at the meeting are present in person or represented by proxy.

The ACA provides that a quorum for a meeting of a corporation's shareholders is 2 shareholders. The number of shareholders required for a quorum can be varied by the corporation's constitution (Paladin's constitution currently provides that 2 shareholders constitute a quorum).

Shareholder Proposals

Under the CBCA, a registered or beneficial shareholder may submit a proposal, although the registered or beneficial shareholder must either: (i) have owned for at least six months not less than 1% of the total number of voting shares or voting shares with a fair market value of at least \$2,000, or (ii) have the support of persons who, in the aggregate, have owned for at least six months not less than 1% of the total number of voting shares or voting shares with a fair market value of at least \$2,000.

Under the ACA, the following shareholders may give a corporation notice of a resolution that they propose to move at a general meeting of shareholders: (i) shareholders with at least 5% of the votes that may be cast on the resolution; or (ii) at least 100 shareholders who are entitled to vote at a general meeting.

Voting Requirements and Amendments of Constitution Documents

Under the CBCA, changes to the by-laws of the corporation can be made by the directors but must be submitted for shareholder approval at the next meeting of shareholders where the shareholders, by ordinary resolution, confirm, reject or amend the by-law. Fundamental changes to the articles of a corporation, such as an alteration of special rights and restrictions attached to the issued shares or a proposed amalgamation or continuation of a corporation out of the jurisdiction, generally require special resolutions passed by not less than 66⅔% of the votes cast by the shareholders voting on the resolutions authorizing the alteration at a special meeting of shareholders and, in certain instances, where the rights of the holders of a class or series of shares are affected differently by the alteration than those of the holders of other classes or series of shares, special resolutions passed by not less than 66⅔% of the votes cast by the holders of shares of each class or series so affected, whether or not they are otherwise entitled to vote. Unless the CBCA or a corporation's articles requires a special resolution, ordinary resolutions of shareholders are passed by a simple majority of votes cast on the resolution.

The CBCA provides that, unless a corporation's articles provide otherwise, each share of a corporation entitles the holder to one vote at a meeting of shareholders.

Unless the ACA or a corporation's constituent documents requires a special resolution, resolutions are passed by a simple majority of votes cast on the resolution. Under the ACA, a special resolution may only be passed by shareholders if a corporation, in the notice convening the relevant meeting, specifies the intention to propose the special resolution and states the terms of that special resolution. A special resolution must be passed by at least 75% of the votes cast by shareholders entitled to vote, who attend at the meeting, in person or by proxy.

The ACA requires certain matters to be resolved by a corporation by special resolution, including:

- the change of name of the corporation;
- any proposed amendment to the constitution of the corporation;
- a selective reduction of capital or selective share buy-back;
- where required, shareholder approval to the giving by the corporation of financial assistance in connection with an acquisition of shares in the corporation or a holding company of the corporation;
- the conversion of the corporation from one type or form to another; and
- a decision to wind up the corporation voluntarily.

Under the ACA, each share of a corporation (subject to any specific terms of issue) confers a right to vote at all general meetings. On a show of hands, each shareholder present in person, or by proxy, attorney or body corporate representative, has one vote. If a poll is held, shareholders present in person or by their proxy, attorney or body corporate representative will have one vote for every share held at the record date for the meeting. A proxy's appointment must be signed and sent to a corporation or its share registry so as to be received at least 48 hours before the time and date for the convening of the meeting.

Issue of New Shares

The CBCA permits shares only in registered form and without nominal or par value. Shares may be issued for such consideration as the directors of a corporation may determine. Shares issued by a corporation governed by the CBCA, are non-assessable and may only be issued if consideration for such shares is fully paid.

Subject to specified exceptions (for example, pro rata issues), ASX Listing Rule 7.1 applies to restrict a corporation from issuing, or agreeing to issue, more equity securities (being broadly speaking, ordinary shares or securities convertible or exercisable into ordinary shares) than the number calculated in accordance with the following formula in any 12-month period unless a corporation has shareholder approval:

$$(A \times B) - C$$

where:

A = the sum of the following:

- the number of fully paid ordinary shares on issue 12 months before the date of the issue or agreement; plus
- the number of fully paid ordinary shares issued in the 12 months under certain specified exceptions; plus
- the number of partly paid ordinary shares that became fully paid in the 12 months; plus
- the number of fully paid ordinary shares issued in the 12 months with shareholder approval; less
- the number of fully paid ordinary shares cancelled in the 12 months.

B = 15%

C = the number of equity securities issued or agreed to be issued in the 12 months before the date of issue or agreement to issue, but not under a specified exception or with shareholder approval.

Comparison of Rights of Dissent and Appraisal

Under the CBCA, shareholders who dissent to certain actions being taken by a corporation may exercise a right of dissent and require the corporation to purchase the shares held by such shareholder at the fair value of such shares. Subject to specified exceptions, dissent rights may be exercised by a holder of shares of any class or series of shares entitled to vote where a corporation is subject to an order of the court permitting such shareholder to dissent or where a corporation proposes to:

- a) amend its articles to add, change or remove any provision restricting or constraining the issue or transfer of shares of that class;
- b) amend its articles to add, change or remove any restrictions on the business or businesses that the corporation may carry on;
- c) enter into certain statutory amalgamations;

- d) continue out of the jurisdiction;
- e) sell, lease or exchange all or substantially all of its property, other than in the ordinary course of business;
- f) carry out a going-private transaction or squeeze-out transaction; or
- g) amend its articles to alter the rights or privileges attaching to shares of any class where such alteration triggers a class vote.

There are no equivalent rights under the ACA although there are rights regarding compulsory acquisition and buy-outs where a person acquires a full beneficial interest in at least 90% or more of the corporation.

Oppression Remedies

Under the CBCA, a registered shareholder, former registered shareholder, beneficial owner of shares, former beneficial owner of shares, director, former director, officer and former officer of a corporation or any of its affiliates, the Director under the CBCA, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy, may apply to a court for an order to rectify the matters complained of where, in respect of a corporation or any of its affiliates, (i) any act or omission of the corporation or its affiliates effects a result, (ii) the business or affairs of the corporation or its affiliates are, or have been, carried on or conducted in a manner, or (iii) the powers of the directors of the corporation or any of its affiliates are, or have been, exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of, any security holder, creditor, director or officer.

Under the ACA, a shareholder can bring an action in cases of conduct which is contrary to the interests of shareholders as a whole, or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, any shareholder(s), whether in their capacity as a shareholder or in any other capacity. Former shareholders can also bring an action if it relates to the circumstances in which they ceased to be a shareholder.

Shareholder Derivative Actions

The CBCA extends rights to bring a derivative action to a broad range of complainants as it affords the right to a registered shareholder, former registered shareholder, beneficial owner of shares, former beneficial owner of shares, director, former director, officer and a former officer of a corporation or any of its affiliates, the Director appointed under the CBCA, and any person who, in the discretion of the court, is a proper person to make an application to court to bring a derivative action. In addition, the CBCA permits derivative actions to be commenced in the name and on behalf of a corporation or any of its subsidiaries. No leave may be granted unless the court is satisfied that:

- a) the complainant has given at least 14 days' notice to the directors of the corporation or its subsidiary of the complainant's intention to apply to the court if the directors of the corporation or its subsidiary do not bring, diligently prosecute, defend or discontinue the action;
- b) the complainant is acting in good faith; and
- c) it appears to be in the interests of the corporation or its subsidiary that the action be brought, prosecuted, defended or discontinued.

Under the ACA, a statutory derivative action may be instituted by a shareholder, former shareholder or person entitled to be registered as a shareholder. In all cases, leave of the court to commence that action is required.

Take-over Requirements

Under applicable Canadian securities legislation, a "take-over bid" occurs when there is an offer to acquire outstanding voting or equity securities made to any person in any province or territory where the securities subject to the offer, together with the

securities owned or controlled by the offeror and its affiliates and associates, constitute 20% or more of the outstanding securities.

Unless an exemption is available, a take-over bid must be made to all holders of each class of voting or equity securities being purchased, and the same price per security – that is, identical consideration – must be offered to each holder of securities. These provisions require, among other things, the production, filing and mailing of a takeover bid circular to shareholders of the target corporation. Take-over bids must treat all securityholders alike and must not involve any collateral agreements, with certain exceptions for employment compensation arrangements. Except under certain circumstances, take-over bids must remain open for a minimum of 105 days from the date of the mailing of the circular, after which time all securities deposited under the offer may be taken up.

For the protection of target securityholders, the take-over bid rules contain various additional requirements, such as restrictions applicable to conditional offers and the withdrawal, amendment or suspension of offers. Securities regulators also retain a general public interest jurisdiction to regulate take-overs and may intervene to halt or prevent activity that is abusive. Issuer bids are regulated similarly to take-over bids.

There are extensive disclosure requirements associated with take-over bids, beginning with ‘early warning’ disclosure required when an acquirer crosses the 10% ownership threshold. Generally, further disclosure is required for additional purchases or dispositions of 2% or more of the outstanding security for which such early warning disclosure is required. Purchases outside the bid, before, during, and after the bid, are also restricted.

Following a bid, second step transactions where the acquirer brings its percentage ownership to 100% are governed by the CBCA. No shareholder approval of the acquisition would be required if the acquirer obtained 90% of the outstanding securities owned by minority securityholders during the bid. Otherwise, a meeting must be called and associated regulations complied with for an acquisition, including obtaining a two-thirds majority approval. The acquirer is generally permitted to vote the shares acquired pursuant to the bid at such meeting. Dissent rights are available for objecting shareholders who fulfil certain procedural requirements.

Canadian Securities Laws allow certain exemptions to the formal bid requirements, on specified conditions. For example, private agreements to purchase securities from up to five persons are permitted if the purchase price does not exceed 115% of the market price. Under the normal course purchase exception, the offeror (together with any joint offerors) may acquire up to 5% of a class of securities within a 12-month period if there is a published market for the relevant class and the consideration paid does not exceed the market price at the date of acquisition.

Australian law places restrictions on a person acquiring interests in the voting shares of a public company where, as a result of the acquisition, that person’s or someone else’s voting power in the corporation increases from 20% or below to more than 20%, or from a starting point that is above 20% and below 90% (the “**20% Rule**”). Generally, such acquisitions cannot be made unless:

- the person has had held voting power in the corporation of at least 19% throughout the 6 month period before the relevant acquisition and does not increase that voting power by more than 3%, compared to the voting power held as at the date six-months before the relevant acquisition;
- the acquisition is made with shareholder approval; or
- the acquisition is made under a take-over bid made in accordance with Australian law.

There are numerous other exemptions from the application of the 20% Rule. Take-over bids must treat all shareholders, as far as is possible, equally and must not involve the provision of any collateral benefits to particular target corporation shareholders which are not extended to all shareholders. Various restrictions about conditional offers exist and there are also substantial restrictions concerning the withdrawal and suspension of take-over offers.

Take-over Defence Mechanisms

The CSA has recognized that take-over bids play an important role in the economy by acting as a discipline on corporate management and as a means of reallocating economic resources to their best uses. In considering the merits of a take-over bid, there is a possibility that the interests of management of the target corporation will differ from those of its shareholders. The CSA considers the primary objective of the take-over bid provisions of Canadian securities legislation to be the protection of the *bona fide* interests of the shareholders of the target corporation. Because certain defensive measures taken by management of a target corporation may have the effect of denying shareholders the ability to make a fully informed decision and frustrating an open take-over bid process, the CSA will therefore examine target corporation defensive tactics in specific cases to determine whether they are abusive of shareholder rights.

Without limiting the foregoing, defensive tactics that may come under scrutiny if undertaken during the course of a bid, or immediately before a bid (if the board of directors has reason to believe that a bid might be imminent) include:

- the issuance of or granting of an option on or the purchase of, securities representing a significant percentage of the outstanding securities of the target corporation;
- the sale or acquisition or granting of an option on, or agreeing to sell or acquire assets of a material amount; and
- the entering into a contract or taking corporate action other than in the normal course of business. Shareholder approval of corporate action may be a factor in the decision as to whether the tactics are appropriate.

Notwithstanding the above, defensive tactics may be taken by a board of directors of a target corporation in a genuine attempt to obtain a better bid; however, tactics that are likely to deny or limit severely the ability of the shareholders to respond to a take-over bid or a competing bid may result in action by the CSA.

Under Australian take-overs legislation and policy, boards of target companies may adopt various defensive mechanisms to discourage or defeat a take-over bid, so long as such mechanisms are in the best interests of the shareholders of the target corporation. The ACA empowers the Australian Takeovers Panel to make a declaration of unacceptable circumstances in relation to the affairs of a corporation in the context of take-overs (as well as other control transactions). A finding of unacceptable circumstances by the Australian Takeovers Panel can result in the prohibition, termination of progress or unwinding of the take-over bid.

Sale of Undertaking

The CBCA requires approval of the holders of shares of each class or series of a corporation represented at a duly called meeting by not less than 66⅔% of the votes cast upon special resolutions for a sale, lease or exchange of all or substantially all of the property (as opposed to the “undertaking”) of a corporation, other than in the ordinary course of business of the corporation. If such a transaction would affect a particular class or series of shares of the corporation in a manner different from the shares of another class or series of the corporation entitled to vote on such transaction, the holders of such first mentioned class or series of shares, whether or not they are otherwise entitled to vote, are entitled to vote separately as a class or series.

Under the ASX Listing Rules, corporations are prohibited from disposing of their main undertaking (including assets or businesses) without first obtaining shareholder approval by way of an ordinary resolution. The corporation must comply with any requirements of ASX in relation to the notice convening the shareholder meeting to vote on the resolution.

Short Selling

Under the CBCA, insiders of a corporation are prohibited from short selling any securities of the corporation.

An ASX-listed corporation’s trading policy will generally prohibit certain persons (including directors and senior management and their associated persons) from engaging in short selling any securities of the corporation

Pre-Emptive Rights

The CBCA provides that, if the articles so provide, no shares of a class shall be issued unless the shares have first been offered to the shareholders holding shares of that class, and those shareholders have a pre-emptive right to acquire the offered shares in proportion to their holdings of the shares of that class, at such price and on such terms as those shares are to be offered to others.

The ACA does not set out a pre-emptive rights regime. However, under the ASX Listing Rules, there are restrictions on the amount of equity securities that an ASX-listed corporation can issue in any rolling 12 month period without shareholder approval, which seeks to limit the involuntary dilution of shareholders (refer to the “Issue of New Shares” section above).

Dividends

Under the CBCA, a corporation may pay a dividend by issuing fully paid shares of the corporation. A corporation may also pay a dividend in money or property unless there are reasonable grounds for believing that: (i) the corporation is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realizable value of the corporation’s assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.

Under the ACA, a corporation must not pay a dividend unless: (i) its assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend; (ii) the payment of the dividend is fair and reasonable to shareholders; and (iii) the payment of the dividend does not materially prejudice the corporation’s ability to pay its creditors.

Indemnification of Directors and Officers

Under the CBCA, a corporation may indemnify a director or officer, a former director or officer or a person who acts or acted at the corporation’s request as a director or officer, or an individual acting in a similar capacity, of another entity (an “**indemnifiable person**”) against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal, administrative, investigative or other proceeding in which he or she is involved because of that association with the corporation or other entity, if: (i) the individual acted honestly and in good faith with a view to the best interests of such corporation or the other entity, as the case may be; and (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the individual’s conduct was lawful. An indemnifiable person may require the corporation to indemnify the individual in respect of all costs, charges and expenses reasonably incurred by the individual in connection with the defense of any civil, criminal, administrative, investigative or other proceeding to which the individual is subject because of the individual’s association with the corporation or other entity, as the case may be, if the individual was not judged by the court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done and the individual fulfills the conditions set out in (i) and (ii) above. A corporation may, with the approval of a court, also indemnify an indemnifiable person against all costs, charges and expenses in respect of an action by or on behalf of the corporation or other entity to procure a judgment in its favour, to which such person is made a party by reason of being or having been a director or an officer of the corporation or other entity, if he or she fulfills the conditions set forth in (i) and (ii) above.

Under Australian law, corporations are not prohibited from indemnifying officers (which includes directors) and other persons against certain liabilities. However, under the ACA, a corporation or a related body corporate must not exempt a person from a liability to the corporation incurred as an officer or auditor of the corporation. Further, a corporation or a related body corporate must not indemnify a person against any of the following liabilities incurred as an officer or auditor of the corporation: (i) a liability owed to the corporation or any related body corporate; (ii) a liability for a pecuniary penalty or compensation order under certain sections of the ACA; or (iii) a liability that is owed to someone other than the corporation or a related body corporate and did not arise out of conduct in good faith. There are also certain restrictions on a corporation: (i) providing an indemnity against legal costs incurred in defending an action for a liability incurred as an officer or auditor of the corporation (for example, in respect of defending criminal proceedings in which the person is found guilty); and (ii) paying insurance premiums insuring a person who is or has been an officer or auditor of the corporation against liabilities (other than

one for legal costs) arising out of conduct involving a wilful breach of duty in relation to the corporation or a contravention of certain directors' duties.

Limitation on Liability of Directors

A director is not liable for breach of their duty of care under the CBCA if he or she relies in good faith on: (a) financial statements of the corporation represented to the director by an officer of the corporation or in a written report of the auditor of the corporation fairly to reflect the financial condition of the corporation; or (b) a report of a person whose profession lends credibility to a statement made by the professional person.

Under the ACA, a director or other officer who makes a business judgment is taken to meet the statutory requirement to act with due care and diligence (and their equivalent duties at common law and in equity) if they: (i) make the judgement in good faith for a proper purpose; (ii) do not have a material personal interest in the subject matter of the judgment; (iii) inform themselves about the subject matter of the judgment; and (iv) rationally believe the judgment is in the best interests of the corporation.

Related Party Transactions

In Canada, a corporation may be subject to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, which imposes independent formal valuation, minority approval and disclosure requirements on entities involved in certain related party transactions. A related party transaction includes transactions between an issuer and a person that is a related party to the issuer at the time of the relevant agreement, whether or not there are also other parties to the transaction, as a consequence of which, either in a single transaction or multiple transactions, the issuer directly or indirectly, among other things, purchases or acquires an asset from or sells or transfers an asset to a related party for valuable consideration; leases property to or from a related party; acquires or combines with a related party through an arrangement or otherwise; issues a security to or subscribes for a security of a related party; becomes subject to a liability of a related party or provides or materially amends the terms of a guarantee or collateral security for a debt or liability of a related party; or borrows money from, lends money to, releases, cancels, forgives or materially amends the terms of an outstanding debt or liability owed by a related party.

In addition, the CBCA requires directors and officers to disclose to the corporation the nature and extent of any interest that they may have in a material contract or transaction, whether made or proposed, with the corporation, if they:

- are a party to the contract or transaction;
- are a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or
- have a material interest in a party to the contract or transaction.

Except as provided in the CBCA, no director having such an interest may vote on any resolution to approve such contract or transaction unless the contract or transaction:

- relates primarily to his or her remuneration as a director, officer, employee, agent or mandatary of the corporation or an affiliate;
- is for indemnity or insurance; or
- is with an affiliate of the corporation.

The ACA prohibits a public company from giving a related party a financial benefit unless: (i) it obtains the prior approval of shareholders and gives the benefit within 15 months after approval is obtained; or (ii) the financial benefit falls within an applicable exception. A related party is defined to include (but is not limited to) any entity which controls the public company,

directors of the public company, directors of any entity that controls the public company and, in each case, spouses and certain relatives of such persons. Applicable exceptions include (but are not limited to) financial benefits that: (i) are on arm's length terms or are less favourable to the related party than arm's length terms; (ii) comprise remuneration and the giving of that remuneration would be reasonable in the circumstances; or (iii) comprise permitted indemnities, insurance premiums and payments for legal costs which are reasonable in the circumstances.

The ASX Listing Rules prohibit a corporation admitted to the official list of ASX (and its child entities) from acquiring or agreeing to acquire a substantial asset (being an asset the value or consideration for which is 5% or more of the entity's equity interests) from, or disposing of or agreeing to dispose of a substantial asset to, certain parties (including related parties) without shareholder approval. These parties include (but are not limited to): (i) directors of the entity; (ii) an entity that controls the entity; (iii) a subsidiary of the entity; (iv) a person who has or has had in the prior six month period a relevant interest in 10% or more of the shares in the entity, and, in each case, any of their associates. The provisions apply even where the transaction may be on arm's-length terms.

Subject to certain exceptions, the ASX Listing Rules also require the prior approval of shareholders by ordinary resolution in order for a corporation to issue shares or options to:

- the corporation's related parties (including directors) and associates of any of those persons;
- any person who is (or was at any time in the prior 6 months) a substantial (30%+) holder in the corporation;
- any person who is (or was at any time in the prior 6 months) a substantial (10%+) holder in the corporation and who has nominated a director to the corporation's board; or
- a person whose relationship with the corporation or a person referred to above is such that, in the ASX's opinion, the issue should be approved by shareholders.

Relevant exceptions include (but are not limited to) issues made: (i) pro rata to all shareholders; (ii) under an underwriting agreement in respect of a pro rata issue to all shareholders; (iii) under a dividend or distribution plan; (iv) under a share purchase plan; or (v) under a takeover bid or scheme of arrangement.

Subject to certain exceptions, ASX Listing Rules 10.11 and 10.14 require the prior approval of shareholders by ordinary resolution in order for a corporation to issue shares or options to:

- a) the corporation's related parties (including directors) and associates of any of those persons;
- b) any person who is (or was at any time in the prior 6 months) a substantial (30%+) holder in the corporation;
- c) any person who is (or was at any time in the prior 6 months) a substantial (10%+) holder in the corporation and who has nominated a director to the corporation's board; or
- d) a person whose relationship with the corporation or a person referred to above is such that, in the ASX's opinion, the issue should be approved by shareholders.