

PALADIN

Paladin Energy Ltd
ABN 47 061 681 098

PDN

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Not for release to US wire services or distribution in the United States

24 March 2021

Dear Shareholder

**1 for 8.5 pro rata accelerated non-renounceable entitlement offer of new fully paid ordinary shares
in Paladin (New Shares) to raise approximately A\$90.2 million (Entitlement Offer)
Ineligible Retail Shareholder Letter**

On Wednesday, 17 March 2021, Paladin Energy Ltd (**Paladin** or **Company**) (ASX: PDN) announced it was conducting a 1 for 8.5 fully underwritten accelerated non-renounceable pro-rata entitlement offer of new fully paid ordinary shares (**New Shares**) to eligible existing shareholders to raise approximately \$90.2 million at a fixed offer price (**Offer Price**) of \$0.37 per New Share (**Entitlement Offer**).

The Entitlement Offer comprises an institutional entitlement offer (**Institutional Entitlement Offer**) and an offer to Eligible Retail Shareholders (as defined below) to participate on the same terms (**Retail Entitlement Offer**, together with the Institutional Entitlement Offer, the **Entitlement Offer**). In connection with the Entitlement Offer, Paladin will also be conducting a placement to institutional investors (**Placement**).

This notice is to inform you that under the terms of the Offer, you are not eligible to participate in the Retail Entitlement Offer and as such, will not be offered nor be able to subscribe for any New Shares or entitlements under the Retail Entitlement Offer. You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Entitlement Offer and Placement.

Who is eligible to participate in the Retail Entitlement Offer?

Paladin has today lodged a retail offer booklet with the ASX (**Retail Offer Booklet**), which sets out further details in respect of the Retail Entitlement Offer, including in respect of the options available to Retail Shareholders and eligibility conditions for the Retail Entitlement Offer. The Retail Offer Booklet can be found on the announcements platform of the ASX (www.asx.com.au).



As outlined in the Retail Offer Booklet, an **Eligible Retail Shareholder** is a person who meets all of the following requirements:

- a) was a registered holder of Paladin Shares as at the Record Date, being 7.00pm on Friday, 19 March 2021;
- b) has a registered address on the Paladin share register in Australia or New Zealand (or is a person that Paladin has otherwise determined in its discretion is eligible to participate in the Retail Entitlement Offer);
- c) is not in the United States and is not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States (to the extent they hold Paladin Shares for the account or benefit of such a person in the United States);
- d) did not receive an offer to participate in, and was not otherwise treated as an ineligible institutional shareholder under, the Institutional Entitlement Offer (other than as a nominee or custodian in respect of other underlying holdings); and
- e) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Why am I not eligible to participate in the Retail Entitlement Offer?

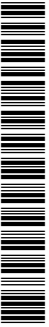
Unfortunately, according to our records you do not satisfy the criteria for an Eligible Retail Shareholder. In compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the *Corporations Act 2001 (Cth)* (**Corporations Act**), this notice is to inform you that you are not entitled to participate in the Retail Entitlement Offer and as such, you will not be offered any New Shares or entitlements under the Retail Entitlement Offer. You will also not be sent a copy of the Retail Offer Booklet.

The restrictions upon eligibility are due to a number of factors. Paladin has determined that, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3)(a) of the Corporations Act, it would be unreasonable to make offers to shareholders in any country outside of Australia and New Zealand, having regard to:

- a) the relatively small number of shareholders in the other jurisdictions where the Retail Entitlement Offer would be made;
- b) the number and value of securities for which shareholders would otherwise have been entitled; and
- c) the costs of complying with the legal and regulatory requirements in each other jurisdiction where the Retail Entitlement Offer would be made.

Paladin and the Joint Lead Managers and each of their respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers and agents disclaim any liability in respect of any determination as to eligibility, to the maximum extent permitted by law.

As the Retail Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of any New Shares that would have been offered to you if you were eligible. New Shares equivalent to the number of New Shares you would have been entitled to if you were an Eligible Retail Shareholder will be allocated to the Joint Lead Managers (in their capacity as joint underwriters) or to persons from whom the Joint Lead Managers have procured subscriptions for New Shares, pursuant to the underwriting arrangements between Paladin and the Joint Lead Managers.



As a result, no amount will be payable to you and you will not receive any payment or value or entitlements in respect of any New Shares that would have been offered to you if you were an Eligible Retail Shareholder.

Further Information

Further details in respect of the Offer can be found on the announcements platform of ASX (www.asx.com.au).

QUESTIONS

If you have any queries about the Retail Entitlement Offer, please contact the Paladin Offer Information Line on:

1300 259 129 (within Australia); or

+61 3 9415 4867 (outside Australia),

between 8.30am and 5.30pm (Sydney time) during the Retail Entitlement Offer period.

This notice is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. You are not required to do anything in response to this letter. On behalf of Paladin, we regret that you are not eligible to participate in the Retail Entitlement Offer and thank you for your continued support.

Yours faithfully

Cliff Lawrenson
Non-Executive Chairman



IMPORTANT NOTICE AND DISCLAIMER

The Entitlement Offer is being made by Paladin in accordance with section 708AA of the Corporations Act as modified by the Australian Securities and Investments Commission Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73, meaning that no prospectus or other disclosure document needs to be prepared.

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Paladin and the Joint Lead Managers. Each of Paladin and the Joint Lead Managers and each of their respective related bodies corporate (as defined in the Corporations Act) and affiliates and each of their respective directors, officers, employees, partners, consultants, contractors, agents and advisers disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

This letter is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia and New Zealand. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in Paladin.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this letter is general information only and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional adviser.

Not an offer in the United States

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable US state securities laws.