



PALADIN

Clean energy. Clear future.

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ASX Announcement
26 July 2022

Quarterly Activities Report **For the period ending 30 June 2022**

Paladin Energy Ltd (ASX:PDN OTCQX:PALAF) (**Paladin** or the **Company**) is pleased to provide an update on its activities and cashflow for the quarter ended 30 June 2022.

HIGHLIGHTS

- No lost-time injuries or reportable environmental incidents were recorded during the quarter
- On 19 July 2022, Paladin announced the decision to return the Langer Heinrich Mine to production with first volumes targeted for the first quarter of CY2024
- The decision to restart production at the Langer Heinrich Mine is supported by strong uranium market fundamentals and continued progress on uranium marketing activities including the execution of a binding contract for the previously announced Tender Award
- Total project capital expenditure has increased to US\$118M on a 100% project basis, (previous guidance of US\$87M), primarily driven by recent inflationary pressures across the project supply chain, brought forward power and water infrastructure works and increased owners team costs
- Paladin received A\$215 million proceeds (before costs) from the A\$200 million fully underwritten institutional placement and A\$15 million Share Purchase Plan
- Unrestricted cash at quarter end was US\$177.1M
- The Company increased its ownership in the Michelin Project, a high-grade, advanced exploration project located in Labrador, Canada to 70% (previously 65%)
- The Company's non-project FY2023 cash expenditure guidance is US\$14.7M.

Paladin CEO, Ian Purdy said *"The decision to restart production at the Langer Heinrich Mine is a significant milestone for the Company, our shareholders and the community in Swakopmund, Namibia. The response to our restart decision from our customers, shareholders, local community members and the Namibian government has been exceptionally positive and reflects the significance of the Langer Heinrich Mine to a range of stakeholders. With the strength of the Company's existing uranium sales offtakes combined with our strong balance sheet we are well positioned to deliver production from Langer Heinrich and generate sustainable value creation."*



MINING PRODUCTION AND DEVELOPMENT ACTIVITIES

- The Langer Heinrich Mine (LHM) remained on care and maintenance for the quarter and there were no production or development activities during the quarter
- The Company had no lost-time injuries or reportable environmental incidents during the quarter
- Appropriate protocols continued to be maintained by the Company across all locations to minimise the potential transmission of COVID-19
- Environmental monitoring of air, water quality, energy, land-use, radiation, and biodiversity continued within the LHM mining license areas
- On 19 July 2022, Paladin announced the decision to return the LHM to production with first volumes targeted for the first quarter of CY2024
- The decision to restart production at the LHM is supported by strong uranium market fundamentals and continued progress on uranium marketing activities including the execution of a binding contract for the previously announced Tender Award
- The restart scope of work will focus on general repairs and refurbishment required to return the existing process plant to operational readiness, coupled with the delivery of process upgrades to increase throughput capacity and operational availability. The ADP Group has been appointed to provide EPCM services and will project manage the work packages and contract management alongside the Company's owners team
- Mobilisation of the project workforce is well advanced with current activities focused on detailed engineering and design for process upgrades, material and equipment purchasing and the preparation for the commencement of construction works
- As part of the decision to commence restart activities at the LHM, Paladin identified that the total project capital expenditure to restart production had increased from US\$87M to US\$118M primarily driven by recent inflationary pressures across the project supply chain, brought forward power and water infrastructure works and increased owners team costs.

EXPLORATION ACTIVITIES

- The Company continues to manage its significant exploration portfolio in Australia and Canada
- The Company commenced planning the Michelin Summer field program due in October 2023
- Minimum tenement expenditure commitments were met during the quarter and rehabilitation monitoring continued across all locations without incident
- The Company is engaged on an ongoing basis with local communities, government and native title holders
- During the quarter, the Company increased its ownership in the Michelin Project, a high-grade advanced exploration project located in Labrador, Canada to 70% (previously 65%)
- Discussions have continued with the Michelin Joint Venture partner regarding a possible sales process under the terms of the Joint Venture Agreement
- Paladin has the right to determine if any offer made under any sales process is acceptable and has a right of pre-emption to acquire the Michelin Joint Venture partner's interest in the Project



- The Company's tenement holdings at the end of the quarter and their locations are detailed in Appendix One.

URANIUM MARKETING ACTIVITIES

- In July 2022, the Company executed the binding contract for the previously announced Tender Award to supply uranium concentrates to a leading Fortune 150 North American power utility
- David Kemp has been appointed Vice President, Sales & Marketing effective 18 July 2022 to support Paladin's marketing activities globally. David is based in North America and has over 20 years of experience marketing uranium concentrates to utilities across North America, Europe and Asia
- Paladin continues to engage with global power utilities with a view to securing further offtake agreements.

CORPORATE ACTIVITIES

- During the quarter, the Company received A\$215 million proceeds (before costs) from the A\$200 million fully underwritten institutional placement and A\$15 million Share Purchase Plan
- The institutional placement and Share Purchase Plan attracted significant demand from both eligible existing and new institutional investors, located in Australia and internationally
- Cash and cash equivalents at 30 June 2022 of US\$177.1M (excluding restricted cash of US\$1M)
- Net cash expenditure for the quarter was US\$2.2M, as detailed in the following table:

Cash Expenditure	US\$M
LHM Care & Maintenance ¹	(0.3)
LHM Restart Planning	(0.9)
Exploration	(0.2)
Corporate Costs	(0.8)
Total Cash Expenditure	(2.2)
Proceeds from issue of equity securities	162.5
Fees and expenses from issue of equity securities	(5.9)
Other Net Proceeds	0.0
Foreign Exchange Movement	(16.1)
TOTAL CASH MOVEMENT	138.3

¹Net of US\$0.2M received by Langer Heinrich Uranium Pty Ltd from CNNC to fund care and maintenance activities



Non-project FY2023 Cash Expenditure Guidance

- Total non-project FY2023 cash expenditure guidance is US\$14.7M, including:
 - Corporate costs US\$5.0M
 - LHM operational costs and uranium marketing costs US\$7.5M (100% basis)
 - Exploration costs US\$2.2M
- The Company will maintain its Corporate spending discipline, whilst ramping up activities at the LHM to support operational readiness and uranium marketing
- Exploration fieldwork and development studies will recommence at the Michelin project in Labrador, Canada.

Related Party Payments

- Payments of US\$115,485 were made to related parties and their associates during the quarter, being the payment of Director's Fees as noted in Section 6 of Appendix 5B
- 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 \$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 limited in nature and are in the best interests of shareholders.

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

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About Paladin

Paladin Energy Ltd (ASX:PDN OTCQX:PALAF) is an Australian listed uranium company focused on returning the Langer Heinrich Mine to commercial production in CY2024. The Langer Heinrich Mine is a globally significant, long-life operation, having already produced over 43Mlb U₃O₈ prior to operations being suspended in 2018 due to low uranium prices.

Beyond the Langer Heinrich Mine, 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.

Forward-looking statements

This announcement contains certain forward-looking statements. The Company cannot guarantee that any forward-looking statement will be realised. Achievement of anticipated results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements, and you are cautioned not to put undue reliance on forward-looking statements.



APPENDIX ONE

TENEMENT INFORMATION REQUIRED BY LISTING RULE 5.3.3

Tenement	Location	Ownership	Change in Quarter
EPM 11898	QLD, Australia	20%	No change
EPM 13412	QLD, Australia	20%	No change
EPM 13413	QLD, Australia	20%	No change
EPM 13682	QLD, Australia	20%	No change
EPM 14233	QLD, Australia	18%	No change
EPM 14694	QLD, Australia	20%	No change
EPM 14712	QLD, Australia	20%	No change
EPM 14821	QLD, Australia	20%	No change
EPM 14935	QLD, Australia	20%	No change
EPM 15156	QLD, Australia	20%	No change
MDL 507	QLD, Australia	100%	No change
MDL 508	QLD, Australia	100%	No change
MDL 509	QLD, Australia	100%	No change
MDL 510	QLD, Australia	100%	No change
MDL 511	QLD, Australia	100%	No change
MDL 513	QLD, Australia	100%	No change
M08/86	WA, Australia	100%	No change
M08/87	WA, Australia	100%	No change
M08/88	WA, Australia	100%	No change
E08/1645	WA, Australia	100%	No change
E08/1646	WA, Australia	100%	No change
EL 6132	SA, Australia	7.5%	No change
ML 140	Namibia, Africa	75%	No change
ML 172	Namibia, Africa	75%	No change
022147M	NL, Canada	70%	5% increase 31.05.2022
024697M	NL, Canada	70%	5% increase 31.05.2022
024995M	NL, Canada	70%	5% increase 31.05.2022
025621M	NL, Canada	70%	5% increase 31.05.2022
025641M	NL, Canada	70%	5% increase 31.05.2022
025649M	NL, Canada	70%	5% increase 31.05.2022
025651M	NL, Canada	70%	5% increase 31.05.2022
025658M	NL, Canada	70%	5% increase 31.05.2022
025675M	NL, Canada	70%	5% increase 31.05.2022
025676M	NL, Canada	70%	5% increase 31.05.2022
025677M	NL, Canada	70%	5% increase 31.05.2022
025678M	NL, Canada	70%	5% increase 31.05.2022
025680M	NL, Canada	70%	5% increase 31.05.2022
025681M	NL, Canada	70%	5% increase 31.05.2022
025932M	NL, Canada	70%	5% increase 31.05.2022