PALADIN ENERGY LTD
ACN 061 681 098

14 April 2008

ASX Limited
20 Bond St
SYDNEY NSW 2000

Dear Sirs

LIFT CAPITAL PARTNERS PTY LTD

Paladin Energy Limited ("**Paladin**" or "**Company**") has been previously advised by directors of their respective margin lending facilities secured by shares in the Company. After consideration of ASX Companies Update 02/08, the Company did not consider that any disclosure of those facilities was required at that time.

Recent media reports indicate that securities the subject of margin loan facilities with Lift Capital Partners Pty Ltd ("**Lift Capital**") and may now be under the effective control of, Merrill Lynch International, following Lift Capital's appointment of a voluntary administrator.

A portion of shareholdings in Paladin held by Director Rick Crabb and Company Secretary Gillian Swaby are subject to margin loan facilities with Lift Capital, namely 6,383,218 shares for Mr Crabb and 7,038,345 shares for Ms Swaby. .

Mr Crabb and Ms Swaby maintain that they have retained beneficial ownership of these Paladin shares as they are not in default under their respective facilities (the key terms of the margin lending facilities with Lift Capital as understood by Mr Crabb and Ms Swaby were that of a standard margin loan facility). Mr Crabb and Ms Swaby had arranged for settlement of these loan accounts prior to Lift Capital's appointment of a voluntary administrator and have informed the Company that they remain ready willing and able to pay the full amount outstanding under their respective facilities. Mr Crabb and Ms Swaby have commenced legal proceedings to protect their interests in these shares.

The Company will closely monitor the actions of Merrill Lynch in order to protect the interests of all shareholders and will provide further updates as information becomes available.

Yours sincerely
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director