



PALADIN ENERGY LTD

ACN 061 681 098

16 October 2008

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

By Electronic Lodgement

Dear Sir/Madam

Clarification Regarding Interpretation of Quarterly Report

In Paladin's Quarterly Report which was released yesterday a comment was made in its Market Comments section stating that credit tightness will probably cause deferral or cancellation of some planned uranium projects. Some commentators have interpreted this to mean a reference to Paladin's planned future developments.

Paladin wishes to clarify that this comment was made in relation to the junior uranium exploration sector (and not to itself) and was highlighting the fact that capital raising will be tight and therefore companies in this category will probably have to delay or cancel any project development plans they may have had. Paladin is proceeding on schedule with its planned project developments as indicated in the body of its quarterly report.

Yours faithfully
Paladin Energy Ltd

JOHN BORSHOFF
Managing Director