PALADIN

ANNUAL REPORT 2022

Contents

Sustainability is at the core of every action we take as a company, and it ensures we remain firmly committed to our people, the environment and our community – today and well into the future.

Chairman's Letter

Dear Shareholders,

Financial Year 2022 saw Paladin make material progress toward restarting production at our globally significant Langer Heinrich Mine. With a well-defined mine restart plan, a strong and growing uranium sales offtake portfolio and excellent uranium market fundamentals, the Company was pleased to announce, subsequent to year end, the decision to return the Langer Heinrich Mine to production with first volumes targeted for the first quarter of Calendar Year 2024.

To de-risk the future restart of the Langer Heinrich Mine, in March 2022 the Company undertook an equity raising to provide funding for the restart of uranium mining operations at the Langer Heinrich Mine and to continue to advance our uranium marketing and exploration activities. This equity raising, coupled with a retail investor focused Share Purchase Plan, was heavily over-subscribed and I would like to thank our shareholders for their ongoing support and welcome all new shareholders to our register.

At Paladin we will contribute significantly to global decarbonisation through clean nuclear energy by the restart of our Langer Heinrich Mine. Nuclear energy remains one of the most cost effective and lowest carbon emitting forms of energy generation now and it is expected to continue in the medium and longer term. Growing global demand for electricity, coupled with targets for reduced CO_2 emissions, will ensure nuclear energy plays a key role in the decarbonisation of global power generation. Paladin continues to look forward to positively contributing to global decarbonisation.

Our activities continued to be underpinned by our core Sustainability Commitments: Health, Safety and Wellbeing, People and Opportunity, Community and Social Investment, and Environmental Stewardship. Sustainability standards are vitally important to us and we work hard to ensure that both our personal and our organisational values and actions exceed those standards.

Our significant progress during the year reflects the support and contributions of all our stakeholders. I would like to extend my thanks to our Paladin staff across all our operations. Their ongoing hard work and commitment to our efforts in advancing the Langer Heinrich Mine towards restarting production are greatly appreciated. Most especially I would like to thank our shareholders for continuing to offer trust and support as we return Paladin to production. Together, we look forward to forging a positive and sustainable future for our Company and for the planet.

Yours faithfully

Cliff Lawrenson
Chairman

Insights from the CEO

Dear Shareholders,

Paladin is pleased to announce a successful 2022 Financial Year (FY2022), culminating in July 2022 with the announcement to restart production at the Langer Heinrich Mine. The decision to return the mine to production was supported by:

- a successful uranium marketing strategy that has delivered cornerstone offtakes with leading global counterparties
- continuing strong uranium market fundamentals with positive macro tailwinds for uranium driven by nuclear's position as a reliable, low carbon baseload power source
- a well-defined Mine Restart Plan[1] providing a low-risk pathway to a return to production.

Early works activities, including the mobilisation of key staff and contractors and the ordering of long lead time capital equipment commenced in the June quarter and the Company is targeting commercial uranium production at Langer Heinrich in the first quarter of Calendar Year 2024 (CY2024).

The extensive workstreams we have conducted reinforce our confidence in Langer Heinrich as a low-risk, robust, long life operation that is positioned to take advantage of improving uranium market conditions and deliver sustainable value creation for all of our stakeholders.

URANIUM, NUCLEAR ENERGY AND DECARBONISATION

Uranium mining and processing are critical components of the nuclear fuel cycle as they provide the raw material for producing clean, sustainable baseload electricity. With growing global demand for electricity, and targets set for reduced CO_2 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 2021, 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 CO_2 emissions reduces the impacts of climate change and global warming. Nuclear expansion remains a focus in Asia, with 35 reactor builds underway across the region. Europe and North America are focused on preserving existing nuclear assets and looking to the future via new reactor programs that include the deployment of small modular reactors.

Recent events have had profound implications for global energy markets. These include geopolitical upheavals resulting from Russia's invasion of Ukraine, the ongoing COVID-19 pandemic and increasingly urgent decarbonisation measures. The role of nuclear power in providing energy security and combatting global warming is increasingly recognised, providing the nuclear industry with long term growth opportunities.

[1]ASX Announcement "Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update" dated 4 November 2021

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.

Western utilities are actively seeking to reduce future reliance on Russian supply of nuclear fuel due to the logistical disruptions and potential sanctions driven by Russia's actions, which also threaten to impact Kazakh and Uzbek supplies. Nuclear fuel markets are also moving to transition away from Russia for enrichment and uranium conversion services.

The rise of secondary uranium demand was a key theme during FY2022. Primarily driven by the Sprott Physical Uranium Trust, approximately 50Mlb of uranium was sequestered from the market during the year. Both spot and longer term market prices increased substantially during FY2022.

Driven by market uncertainties and reduced inventory availability, 2022 has seen the return of utilities into the long term uranium market. Contracted volumes for the first half of the year already exceed annual volumes recorded during 2020 and 2021, with additional demand growth anticipated over the remainder of 2022.

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 Langer Heinrich Mine will be used to resource nuclear power plants, displacing gas and coal-fired electricity. Paladin's future production can reduce CO_2 emissions by an average of 58 million tonnes per year, and around 1.3 billion tonnes[2] over the life of the Langer Heinrich Mine.

RESTARTING THE LANGER HEINRICH MINE

The decision to commence restart activities at the Langer Heinrich Mine represents the culmination of years of detailed planning and execution work which has provided a low-risk pathway back to production.

To ensure a successful execution of restart activities and the delivery of the Langer Heinrich Mine into production, Paladin has appointed ADP Group, a leading African focused engineering company, to provide EPCM services. Paladin's in-country project team has been strengthened with the appointment of a Restart Project Director who will be supported by Paladin's in-country operations team.

The significant and detailed planning for the recommencement of activities at Langer Henrich has provided a detailed scope of the key work activities and critical path items for the successful commencement of production.

Key work packages for FY2023 include:

- completion of detailed engineering and design
- purchase of all project materials and equipment packages
- mobilisation and commencement of multi-disciplined plant refurbishment and upgrade works
- work packages to ensure the stable and long term provision of water and power to site.

Our well-defined restart plan and strong execution project capability provide a low-risk pathway to a return to production, targeted for the first quarter of CY2024.

OFFTAKE PORTFOLIO

Paladin achieved an important milestone during the financial year with a Tender Award received for an offer to supply uranium concentrates to a major North American power utility. This was executed as a binding Offtake Agreement subsequent to year end. The Offtake Agreement is consistent with Paladin's uranium marketing strategy of securing contracts with industry leading counterparties and complements the Company's life of mine offtake agreement with CNNC[3].

We are continuing our uranium marketing efforts, with the intention of building a contract portfolio with high quality counterparties, delivering a balance of pricing mechanisms and geographic diversification, and will prioritise contracts with price-protected mechanisms.

The strength of the Company's uranium sales offtake coupled with the strong uranium market fundamentals were primary factors in the decision to restart operations at Langer Heinrich.

STRONG BALANCE SHEET

Our already robust balance sheet was further strengthened during the year with a successful institutional placement of new fully paid ordinary shares and a Share Purchase Plan which jointly raised A$215M (before costs). Both the institutional placement and Share Purchase Plan were strongly supported, and I would like to thank our existing shareholders and new shareholders for their support. At the end of the financial year, Paladin held A$177.1M in cash, which de-risks restart execution and provides a platform for further uranium marketing and exploration activities.

[2]Minerals Council of Australia emissions data applied to Langer Heinrich Uranium Life of Mine production as detailed in the ASX Announcement referenced in footnote 1. All material assumptions underpinning the production target continue to apply and have not materially changed

[3]CNNC Overseas Uranium Holding Limited

SUSTAINABILITY AND PALADIN

Paladin is committed to the core principle of delivering value through sustainable development. Our Paladin Values support every decision we take. With these strong foundations, we can focus on achieving economic, social and environmental sustainability in balanced and successful ways for all stakeholders. Paladin is pleased to provide further details of our Sustainability Commitment on pages 20 to 25. We look forward to releasing our annual Sustainability Report in October 2022.

OUR PEOPLE

People are at the heart of our Company. Our strategic recruitment processes ensure that our organisation has the expertise to successfully execute the Company's strategy. We are a global business with capability in Australia, Namibia, Canada, USA and Europe.

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.

OUTLOOK

The decision to commence restart activities at the Langer Heinrich Mine marked a significant milestone for the Company. I look forward to updating you all on our restart progress in the coming periods.

Paladin will continue to maintain our corporate spending discipline, whilst ramping up activities at the Langer Heinrich Mine to support operational readiness and uranium marketing. The Company is also pleased to recommence exploration fieldwork and development studies at the high-grade, advanced exploration Michelin Project in Labrador, Canada.

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 extend my sincere thanks to you, our shareholders, for showing continued support for our Company. The positive formal launch of the Langer Heinrich restart, a robust outlook for uranium markets and the knowledge that we actively contribute to the decarbonisation of global electricity generation puts us in a strong position for 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 to commercial production in the first quarter of CY2024. The Langer Heinrich Mine is a globally significant, long life operation, having already produced over 43Mlb U_3O_8 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.

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 FY2022
- The Company continued to maintain appropriate protocols across all locations to minimise the potential transmission of COVID-19.

Operational Performance

- During the year, Paladin released the Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update
- On 19 July 2022, Paladin announced the decision to return the Langer Heinrich Mine (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 Offtake Agreement for the previously announced Tender Award
- The LHM remained on care and maintenance during the year and there were no production or development activities during the year.

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
- 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 the Company's interest from 65% to 70%
- As required under the terms of the Michelin Joint Venture Agreement, Paladin will be conducting a sales process for the Michelin Project, acting reasonably and taking into account the commercial interests of the related bodies corporate
- Paladin has the right to determine if the terms of any offer made under the sales process are acceptable, and also has a right of pre-emption to acquire the Michelin Joint Venture partner's interest in the Project
- Exploration fieldwork and development studies have recommenced at the Michelin Project, with the Michelin summer field program underway. Work includes ground mapping, sampling, prospecting and an airborne gravity-gradiometry survey, with results expected by the end of 2023.

Uranium Marketing Activities

- In March 2022, the Company secured a Tender Award to supply uranium concentrates to a major North American power utility. The Offtake Agreement was executed in July 2022, with supply to commence in 2024
- Paladin continues to engage with global power utilities, with a view to securing further offtake agreements.

Corporate

- The Company successfully completed an institutional placement (Placement) and a Share Purchase Plan (SPP) of new fully paid ordinary shares in Paladin (New Shares). The Placement raised A$200M (before costs) and the SPP raised A$15M (before costs) through the issue of approximately 298.6 million New Shares at an offer price of A$0.72 per share. The offer price represents:
  - 8.9% discount to the last closing price of Paladin shares on ASX of $0.79 on 30 March 2022 (being the last date Paladin shares traded prior to announcement of the Placement)
  - 12% discount to the 5-day volume average weighted price (VWAP) up to and including 30 March 2022
- Paladin re-entered the ASX 200 in December 2021 as part of the ASX Quarterly Rebalance
- The Company had cash and cash equivalents at 30 June 2022 of US$177.1M (excluding restricted cash of US$1M).

FINANCIAL PERFORMANCE

Key financial performance metric		Year ended 30 June		
		2022	2021	% Change
Earnings				
Average selling price	US$/lb	**47.00**	29.85	57
U_3O_8 sold	lb	**100,000**	100,000	-
Revenue	US$'000	**4,700**	2,985	57
Cost of sales	US$'000	**(4,693)**	(2,973)	58
Net loss after tax from continuing operations	US$'000	**(43,939)**	(58,258)	(25)
Cash Flows				
Cash flows from operating activities	US$'000	**(6,794)**	(5,565)	22
Capital expenditure	US$'000	**(3,427)**	(3,261)	5
Free cash flows	US$'000	**(10,221)**	(8,826)	16
Financial Position				
Unrestricted cash and cash equivalents	US$'000	**177,066**	30,661	477
Debt (principal amount + accrued interest)	US$'000	**-**	-	-
Net debt	US$'000	**-**	-	-
Total equity	US$'000	**358,412**	246,708	45
Gearing ratio (Net debt / (net debt + equity))	%	**-**	-	-

Earnings

Net loss after tax from continuing operations decreased by 25%, mainly as a consequence of reduced finance costs of US$13,006,000 (2021: US$32,412,000) arising from the redemption of the Senior Secured Notes in April 2021. This was offset by higher foreign exchange losses of US$8,179,000 (2021: foreign exchange loss US$3,934,000) which are predominantly due to the increase in Australian dollars held after the completion of the equity raising, offset by the foreign exchange translation of the environmental rehabilitation provision in Namibia. The Namibian dollar depreciated 13% against the USD during the year, from US$1:N$14.3121 at 30 June 2021 to US$1:N$16.1471 at 30 June 2022.

Cash Flows

The Group had unrestricted cash and cash equivalents at 30 June 2022 of US$177.1M. Unrestricted cash and cash equivalents increased by US$146M during the year comprising of the following cash flows:

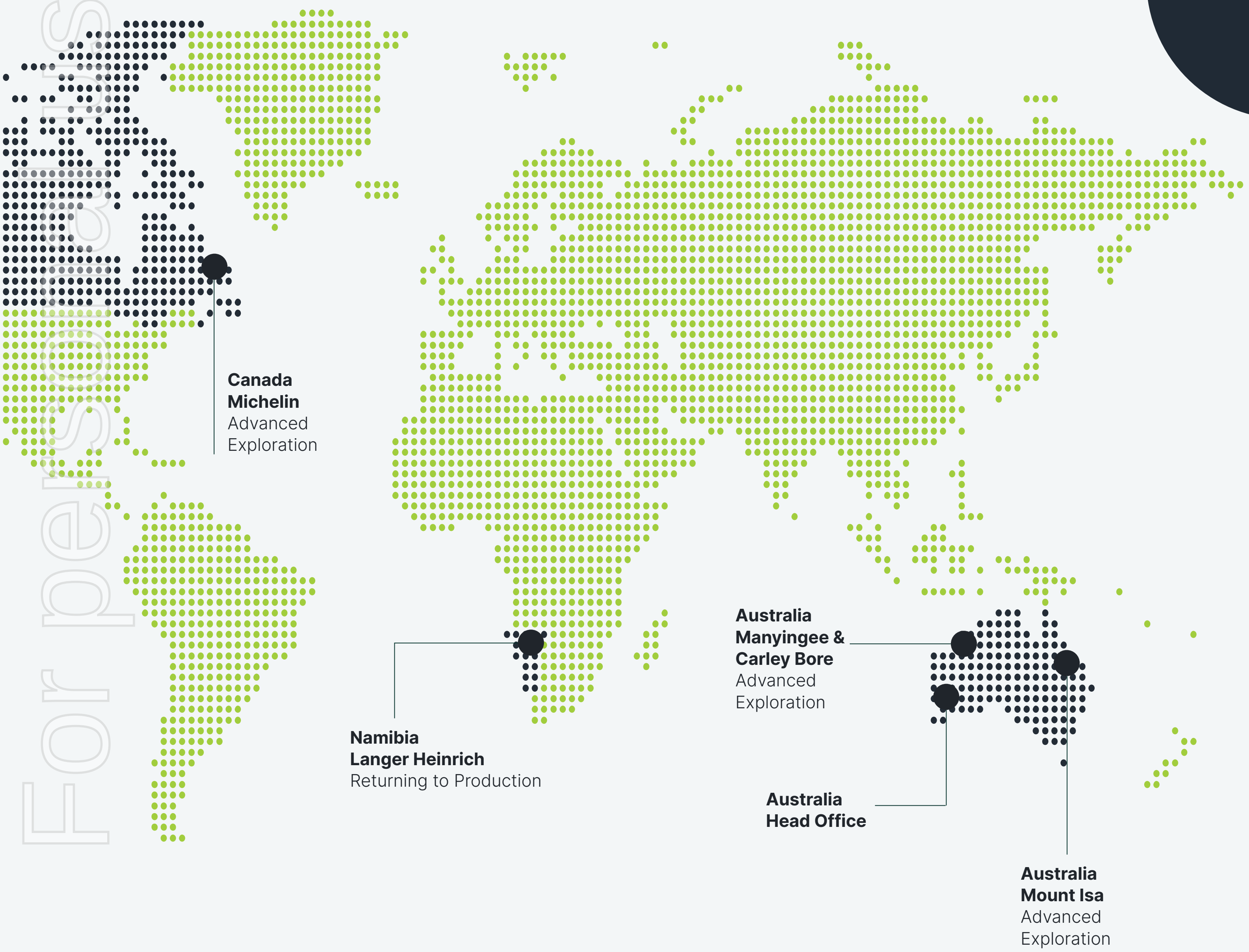
- Placement and Share Purchase Plan – net proceeds from the issue of shares of US$156,585,000
- Proceeds from sale of investments – proceeds from sale of 90M shares in Lotus Resources Ltd of US$13,386,000
- Proceeds from sale of Paladin (Africa) Ltd – receipt of the third tranche of repayment of funds advanced to provide security for the US$10,000,000 environmental performance bond from Lotus Resources Ltd of US$2,000,000
- Shareholder loans advanced – advance from CNNC to Langer Heinrich Uranium (Pty) Ltd of US$811,000
- Receipts from customers – proceeds from a spot sale of 100,000lb of uranium of US$4,700,000
- Cost of sales – cost of sales relating to the spot sale of US$4,692,500
- Corporate expenditure – corporate expenditure of US$4,183,000
- Langer Heinrich expenditure – expenditure for care and maintenance at Langer Heinrich Mine of US$2,843,000
- Langer Heinrich restart study costs – restart study expenditure of US$2,242,000
- Exploration expenditure – minimum tenement commitments at its exploration projects of US$1,005,000
- Property, plant and equipment – payments for property, plant and equipment of US$180,000
- Effect of movement in exchange rates on cash held – US$16,156,000 was predominantly due to an increase in Australian dollar holdings following the completion of the equity raising.

Financial Position

Unrestricted Group cash and cash equivalents increased by 477% to US$177,066,000. At 30 June 2022 Paladin holds no corporate debt. The Company's gearing ratio was Nil% from 30 June 2021 to 30 June 2022.

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. Paladin's interest in Langer Heinrich is 75%.

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 70% interest (which increased from 65% in May 2022) in a special purpose joint venture (the Michelin Joint Venture) which owns the Michelin Project. The Michelin Joint Venture includes a farm out agreement over a five-year period whereby Paladin will receive 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.

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 will be conducting a sales process for the Michelin Project:

- Paladin has the right to determine if any offer made under the potential sales process is acceptable
- Paladin has a right of pre-emption to acquire the minority shareholder's interest in the joint venture.

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 Company's Mineral Resources and Ore Reserves and the changes that have occurred within FY2022. There were no material changes to the Company's Mineral Resources and Ore Reserves for Canada and Australia.

Uranium Mineral Resources		30 June 2021 Mt	30 June 2021 Grade ppm U_3O_8	30 June 2021 Mlb U_3O_8	30 June 2022 Mt	30 June 2022 Grade ppm U_3O_8	30 June 2022 Mlb U_3O_8	Change Mt	Change Mlb U_3O_8
NAMIBIA: Langer Heinrich[1,2]									
Measured									
	In-situ	66.2	490	71.9	79.1	450	78.6	12.9	6.7
	MG ROM stockpiles	4.7	520	5.4	6.3	510	7.1	1.6	1.7
	LG ROM stockpiles	26.1	325	18.7	20.2	325	14.5	(5.9)	(4.2)
	Total Measured	97.0	445	95.9	105.6	430	100.2	8.6	4.3
Indicated									
	In-situ	18.8	435	18.0	23.5	375	19.5	4.7	1.5
Inferred									
	In-situ	6.3	420	5.8	11.0	345	8.4	4.7	2.6
TOTAL		**122.1**	**445**	**119.7**	**140.1**	**415**	**128.1**	**18.0**	**8.4**

Uranium Mineral Resources		30 June 2021 Mt	30 June 2021 Grade ppm U_3O_8	30 June 2021 Mlb U_3O_8	30 June 2022 Mt	30 June 2022 Grade ppm U_3O_8	30 June 2022 Mlb U_3O_8	Change Mt	Change Mlb U_3O_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.

[1]JORC Code (2012) compliant. Cut-off of grade of 200ppm U_3O_8 applied to in-situ, with a cut-off grade of 250ppm U_3O_8 applied to stockpiles.
[2]ASX Announcement "Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update" dated 4 November 2021
[3]JORC Code (2012) compliant

Uranium Mineral Resources		30 June 2021 Mt	30 June 2021 Grade ppm U_3O_8	30 June 2021 Mlb U_3O_8	30 June 2022 Mt	30 June 2022 Grade ppm U_3O_8	30 June 2022 Mlb U_3O_8	Change Mt	Change Mlb U_3O_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[4]	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.

[4]JORC Code (2012) compliant

Vanadium Mineral Resources		30 June 2021 Mt	Grade ppm U_3O_8	Mlb U_3O_8	30 June 2022 Mt	Grade ppm U_3O_8	Mlb U_3O_8	Change Mt	Mlb U_3O_8
NAMIBIA: Langer Heinrich[5,6]									
Measured									
	In-situ	66.2	160	23.3	79.1	145	25.5	12.9	2.2
	MG ROM stockpiles	4.7	170	1.8	6.3	165	2.3	1.6	0.5
	LG ROM stockpiles	26.1	105	6.0	20.2	105	4.7	(5.9)	(1.3)
	Total Measured	97.0	145	31.1	105.6	140	32.5	8.6	1.4
Indicated									
	In-situ	18.8	140	5.8	23.5	120	6.3	4.7	0.5
Inferred									
	In-situ	6.3	135	1.9	11.0	115	2.7	4.7	0.8
TOTAL Namibia		**122.1**	**145**	**38.8**	**140.1**	**135**	**41.5**	**18.0**	**2.7**

Uranium Ore Reserves	30 June 2021 Mt	Grade ppm U_3O_8	Mlb U_3O_8	30 June 2022 Mt	Grade ppm U_3O_8	Mlb U_3O_8	Change Mt	Mlb U_3O_8
NAMIBIA: Langer Heinrich[5,6]								
Proved	42.0	525	48.5	48.3	488	52.0	6.3	3.5
Probable	13.1	485	14.0	10.0	464	10.2	(3.1)	(3.8)
Stockpiles	30.8	355	24.0	26.5	369	21.6	(4.3)	(2.4)
TOTAL Namibia	**85.9**	**458**	**86.5**	**84.8**	**448**	**83.8**	**(1.1)**	**(2.7)**

Figures may not add due to rounding. Ore Reserves reported at a 250ppm U_3O_8 cut-off grade. Mineral Resources and Ore Reserves quoted on a 100% basis. Mineral Resources are reported inclusive of Ore Reserves.

All the Company'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.

[5] JORC Code (2012) compliant
[6] ASX Announcement "Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update" dated 4 November 2021

Environmental, Social and Governance

Paladin is committed to the core principle of delivering value through sustainable development. Our Paladin Values support every decision we take. With these strong foundations, we can focus on achieving economic, social and environmental sustainability in balanced and successful ways for all stakeholders.

The Board has approved the adoption of the Sustainability Accounting Standards Board (SASB) framework. Paladin is establishing a framework to incorporate the SASB Standards and Global Reporting Initiative (GRI) Standards into the Company's ESG approach, and will further develop reporting and disclosures in relation to the Task Force on Climate Change Disclosures (TCFD).

Paladin condemns all forms of modern slavery, and we are committed to following the UN Guiding Principles on Business and Human Rights. We will comply with the requirements under the *Modern Slavery Act 2018* (Cth) as part of our Langer Heinrich Mine restart.

ESG Highlights and FY2022 Performance

- Over 1,700 Lost-Time Injury Free days
- No environmental non-compliances or breaches
- 100% local workforce at LHM
- 40% of Paladin's Board and 30% of staff are female
- Independent Board and Independent Chair

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

We value and respect all our people as central to what we do, embracing diversity and promoting equal opportunities to thrive and be recognised.

SUSTAINABILITY COMMITMENTS

Health, Safety and Wellbeing

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.

People and Opportunities

We value and respect all our people as central to what we do, embracing diversity and promoting equal opportunities to thrive and be recognised.

Community and Social Investment

We engage positively with local communities, actively listening and contributing to their social prosperity and development with integrity.

Environmental Stewardship

We protect the environment and work to minimise our impacts on it, achieving continuous improvements in sustainability practices and committing to support emissions reductions to achieve the goals of COP26 and the Glasgow Climate Pact.

HEALTH, SAFETY AND WELLBEING

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.

At Paladin, we put the safety and wellbeing of our people as our highest priority. Our goal is to actively maintain a healthy, safe and secure work environment by preventing injuries, accidents, incidents and illness.

During FY2022, we once again recorded no lost-time injuries or reportable incidents. Throughout the year we continued to promote safety and responsibility to all our employees and contractors, underpinned by the knowledge that injuries are preventable. We again delivered 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 improvement processes was also a feature of our activity during the year.

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 Langer Heinrich has received annual approval.

Health providers counsel employees on healthy lifestyles and identify risks including raised blood pressure, cholesterol, and HIV exposure.

PEOPLE AND OPPORTUNITIES

We value and respect all our people as central to what we do, embracing diversity and promoting equal opportunities to thrive and be recognised.

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.

Employees and contractors are provided with growth opportunities, and we strive to continually develop our people's skills and expertise through structured learning and training. 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.

COMMUNITY AND SOCIAL INVESTMENT

We engage positively with local communities, actively listening and contributing to their social prosperity and development with integrity.

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. Paladin delivered assistance to those in need during the COVID-19 pandemic, including the provision of equipment and oxygen concentrators to the Directorate of Health in the Erongo region, Namibia, for use in COVID-19 hospital wards.

As the Langer Heinrich Restart Project ramps-up and we move towards production in the first quarter of CY2024, Paladin will increasingly be engaging with the local community 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. The Company recently participated in the Erongo Career Fair 2022 held in Swakopmund to engage with the local community and provide information about employment opportunities with the Langer Heinrich Mine. The Paladin CEO and General Manager of Langer Heinrich Mine also recently met with members of the Namibia Institute Mining and Technology to provide them with IT equipment as part of the Company's ongoing commitment to the local community.

ENVIRONMENTAL STEWARDSHIP

We protect the environment and work to minimise our impacts on it, achieving continuous improvements in sustainability practices and committing to support emissions reductions to achieve the goals of COP26 and the Glasgow Climate Pact.

Uranium mining and processing are critical components of the nuclear fuel cycle as they provide the raw material for producing clean, sustainable baseload electricity. With growing global demand for electricity, and targets set for reduced CO_2 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 2021, 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 CO_2 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 CO_2 equivalent / kWh.

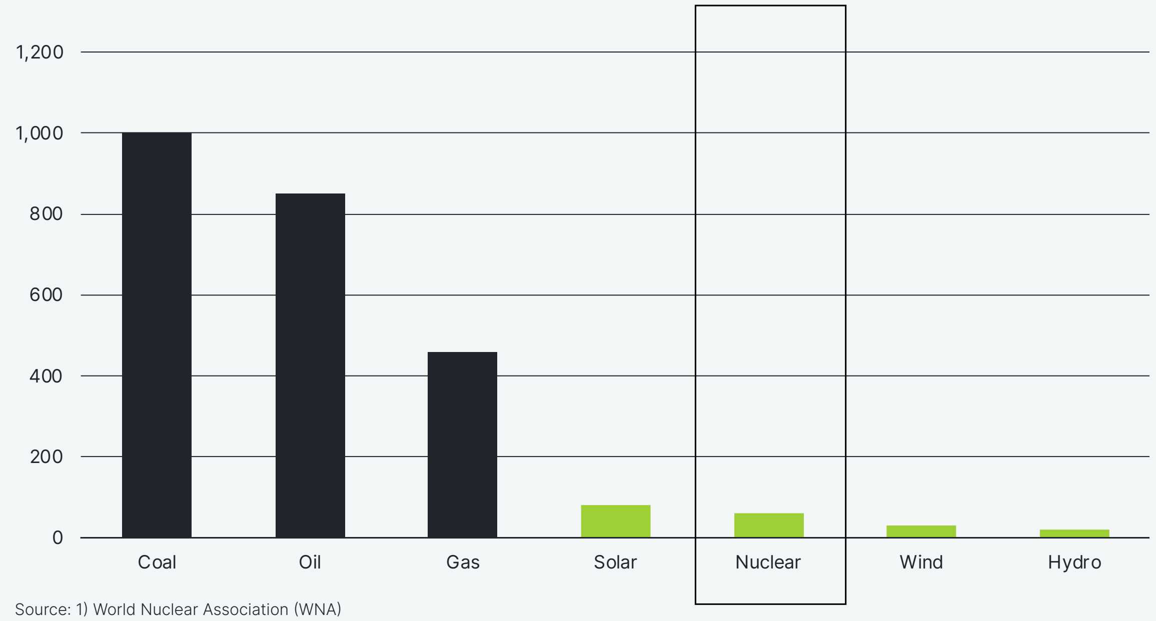
While renewable power sources such as wind and solar are gaining market share in the global energy mix, nuclear's low emission intensity and higher capacity factor will ensure that nuclear power, and uranium, remain key components of carbon-free baseload power production, as the world moves towards decarbonisation.

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 Langer Heinrich Mine will be used to resource nuclear power plants, displacing gas and coal-fired electricity. Paladin's future production can reduce CO_2 emissions by an average of 58 million tonnes per year and around 1.3 billion tonnes over the life of the Langer Heinrich Mine. A reduction of 58 million tonnes of CO_2 emissions per annum is roughly equivalent to forty percent of the total reported Scope 1 emissions from Australian grid-connected generators, which generated 148 million tonnes CO_2 equivalent emissions in 2020-2021 (Clean Energy Regulator).

Paladin is positioned and committed to ensure our projects are delivered with a keen focus on sustainability and on reducing our own Tier-1 carbon emissions. We are undertaking benchmarking of our historical water, fuel and carbon emissions footprint to allow us to continue in our efforts to minimise our footprint, and to improve the future performance of our operations.

Paladin recognises the increasing global impacts of climate change, however the financial impact 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 CO_2 emissions as part of the world's energy transformation in order to achieve climate change goals. Our robust guidelines and policies for all our mining and exploration activities focus primarily on water and land use management, rehabilitation, mineral waste and reducing greenhouse gas emissions.

Emissions Intensity by Energy Source[1], g/kWh



Source: 1) World Nuclear Association (WNA)

CORPORATE GOVERNANCE

The Paladin Board of Directors 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.

The Board also recognises the need to regularly review its system of corporate governance as best practice evolves. Our current Paladin corporate governance framework uses as a reference the Corporate Governance, Principles and Recommendations of the ASX Corporate Governance Council. Paladin is pleased to provide further details in our Corporate Governance Statement on page 27.

Risk Management

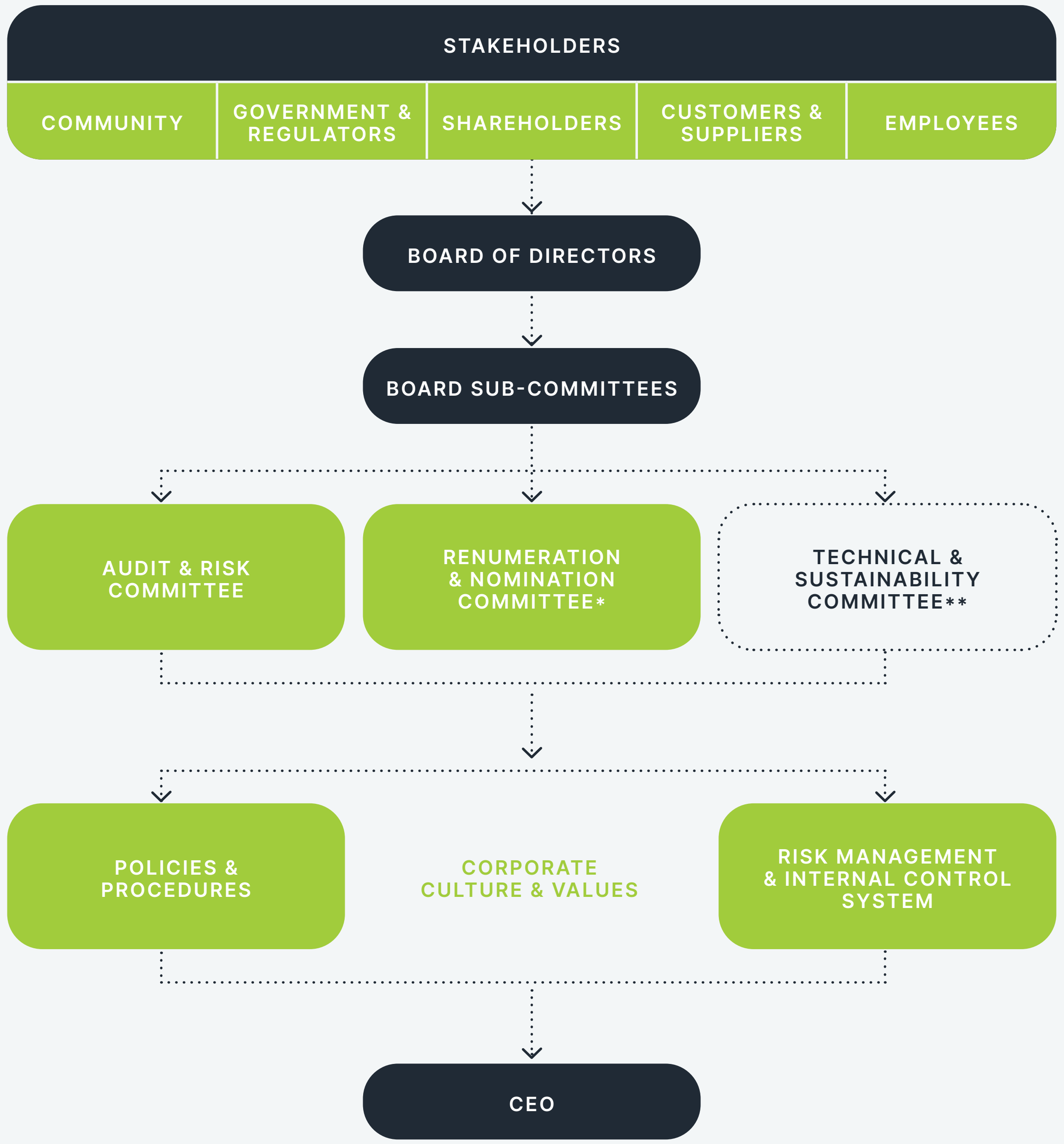
The Risk Management Policy is the overarching document that provides the foundation which supports the framework and processes for the integration of risk management into the Company's business activities. The purpose of this Policy is to:

- communicate the risk management principles upon which the Paladin's risk management framework is designed
- confirm Paladin's commitment to maintaining a risk aware culture and embedding risk management practices within operations
- detail roles and responsibilities relating to the identification and management of risk throughout the Group
- articulate the Group's minimum requirements in relation to risk management.

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. The aim of this Policy is 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.

Ethics and Whistleblowing

Paladin's Code of Business Conduct and Ethics (Code) requires Paladin's officers, employees and associates, in addition to certain third parties, to observe the highest standards of business and personal ethics in the course of carrying out their duties and responsibilities. These persons must practise honesty and integrity in fulfilling their responsibilities, and comply with all applicable laws and regulations. Even the best procedures and systems of control cannot provide absolute safeguards against violations, however Paladin's internal controls and the Code are intended to prevent, deter and remedy any violation of applicable laws and regulations.



*Renamed "Governance, Renumeration & Nomination Commitee" in FY2023
** Established FY2023

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 2022 and approved by the Board on 25 August 2022, 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 2022 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.

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 2022 and the auditor's report. There were no changes to the Board of Directors during the financial year.

DIRECTORS

The following persons were Directors of Paladin Energy Ltd and were in office for the financial year:

Mr Cliff Lawrenson BCom (Hons)
(Non-Executive Chairman)

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 Caspin Ltd (ASX: CPN) and Australian Vanadium Limited (ASX: AVL). Non-Executive Chair of privately owned Pacific Energy Limited and Onsite Rental Group.

Mr Lawrenson resigned from the Board of Canyon Resources (ASX: CAY) effective 8 August 2022. Other former listed company Directorships (last three years): Atlas Iron 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, Sedgman Limited, 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
- Member of Audit & Risk Committee
- Member of Remuneration & Nomination Committee

Current listed company Directorships: Non-Executive Director at Strandline Resources (ASX: STA) and a Non-Executive Director at New Century Resources Ltd (ASX: NCZ)

Former listed company Directorships (last three years): Resource Generation Ltd and Evacuation Services Australia Pty Limited.

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 Audit & Risk Committee
- Chairman of Remuneration & Nomination Committee

Current listed company Directorships: Non-Executive Chairman of Carbine Resources (ASX: CRB).

Ms Melissa Holzberger LLM 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

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 RCA, FCA (ICAEW), FCA (ICAANZ), GAICD, BSc (Hons Mathematics & Statistics)
(Non-Executive Director)

Ms Joanne Palmer is a Registered Company Auditor and a Fellow of Chartered Accountants in Australia and in England and Wales. Ms Palmer is currently an Executive Director of Pitcher Partners in Perth. Ms Palmer brings over 25 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. Ms Palmer is a council member 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 Remuneration & Nomination Committee

Current listed company Directorships: Non-Executive Director of Sierra Rutile Holdings Limited.

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.

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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.

Mr Nathan Bartrop BCom, LLB, FGIA, FCG
(resigned 27 August 2021)

Mr Bartrop is a corporate governance professional (Chartered Secretary) with over 10 years' experience in ASX Listing Rules compliance, corporate advisory and corporate governance.

Mr Bartrop has assisted numerous listed and dual listed entities across a wide range of industries as Company Secretary. During his career Mr Bartrop has also worked as an ASX listings compliance adviser at ASX in Perth and Sydney, where he was actively involved in the new listing of companies on the ASX and advising listed entities on their compliance with ASX Listing Rules. He is a Fellow and WA State Council member of the Governance Institute of Australia.

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:

	Board of Directors		Audit and Risk Committee		Remuneration and Nomination Committee	
Name	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	4	4	1	1
Mr Peter Main	7	7	4	4	1	1
Ms Melissa Holzberger	7	7	4	4	-	-
Ms Joanne Palmer	7	7	4	4	1	1

Post FY2022 Paladin implemented a Technical and Sustainability Committee and has made some adjustments to the purpose and membership of the Audit and Risk and Remuneration and Nomination Committees. These changes will be reported on in the FY2023 Annual Report.

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 12 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$43,939,000 (2021: loss after tax US$58,258,000) representing a decrease of 25% 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:

Capital Raising

In March 2022, Paladin successfully completed an equity raise by way of a fully underwritten institutional placement and a Share Purchase Plan (SPP), to raise A$215M (before costs). The fully underwritten A$200M equity raise comprised an institutional placement of 277.8M new fully paid ordinary shares in Paladin and the SPP raised A$15M through the issue of 20.8M new fully paid ordinary shares in Paladin.

All new shares were issued at a price of A$0.72 per new share under the equity raise.

Included in S&P/ASX 200 Index

Paladin was included in the S&P/ASX 200 Index effective prior to the open of trading on 20 December 2021.

Sustainability Report

Paladin's 2021 Sustainability Report was published on 13 October 2021, 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 2022 Financial Report:

- On 19 July 2022 Paladin announced the decision to return the Langer Heinrich Mine, located in Namibia, to production in 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 Offtake Agreement for the previously announced Tender Award
- Total restart 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 has committed to provide 100% project funding via priority loans to be repaid in priority to all outstanding shareholder loans
- With US$177.1M in unrestricted cash as at 30 June 2022, Paladin is well positioned to deliver first production from the Langer Heinrich Mine, pursue further uranium marketing activities and advance the global exploration portfolio.

LIKELY DEVELOPMENTS

Likely developments in the operations of the Group are set out under the section entitled Operating and Financial Review.

ENVIRONMENTAL REGULATIONS

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 Ltd 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 2022	A$0.82	A$0.00	1,220,000
7 September 2021[1]	27 September 2023	A$0.82	A$0.00	2,220,000
3 November 2021[2]	30 June 2024	A$0.705	A$0.00	2,830,319
3 November 2021[2]	30 June 2024	A$0.766	A$0.00	2,830,319
Total				**9,100,639**

[1]These PRs have been issued for nil cash consideration and no consideration is payable by the holder upon the vesting of a PR.

[2]These 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.

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 2017	1 November 2022	A$0.13	A$0.20	50,000
20 October 2015	1 November 2018	1 November 2023	A$0.13	A$0.20	50,000
27 September 2016	1 November 2017	1 November 2022	A$0.08	A$0.20	38,000
27 September 2016	1 November 2018	1 November 2023	A$0.08	A$0.20	38,000
27 September 2016	1 November 2019	1 November 2024	A$0.08	A$0.20	38,000
16 April 2018	16 April 2018	16 April 2023	A$0.17	A$0.15	105,000
16 April 2018	16 April 2019	16 April 2024	A$0.05	A$0.15	52,500
16 April 2018	16 April 2020	16 April 2025	A$0.07	A$0.15	52,500
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	105,000
1 October 2019	1 October 2021	1 October 2026	A$0.04	A$0.12	82,500
1 October 2019	1 October 2022	1 October 2027	A$0.05	A$0.12	238,750
27 October 2020	9 November 2022	9 November 2027	A$0.13	A$0.00	600,000
14 December 2020	21 December 2021	21 December 2026	A$0.21	A$0.00	100,000
Total					**4,050,250**

During the year 1,608,250 Share Appreciation Rights were converted to 1,411,493 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 [24].

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead Auditor's Independence Declaration is set out on page 46 of the Financial Report.

Dated this 25th day of August 2022.

Signed in accordance with a resolution of the Directors

Cliff Lawrenson
Chairman
Perth, Western Australia

Remuneration Report

Message from the Chairman of the Governance, Remuneration and Nomination Committee

Dear Shareholders,

On behalf of the Board, I am pleased to present the 2022 Remuneration Report.

Paladin has had an outstanding year with the Key Management Personnel leading the Company through a transformational year. The team continued to demonstrate our commitment to sustainable development principles with above target performance across our sustainability measures.

During the year we successfully completed a fully underwritten institutional placement and Share Purchase Plan of approximately 298.6 million new shares raising A$215M (before costs) to fund the restart of the Langer Heinrich Mine.

The Company has recently announced the commencement of the Langer Heinrich Mine Restart Project to return the mine back into commercial production in 2024 and has secured a Uranium Offtake Agreement to supply uranium concentrates to a major North American power utility.

These achievements reflect the agility and commitment of the Company's staff, led by the Chief Executive Officer, Ian Purdy, and the Executive, in returning Paladin to its rightful position as a leading global uranium production company.

Independent Remuneration Review

In August 2021, BDO Remuneration completed an independent Executive and Non-Executive Director Remuneration Review and made recommendations which were adopted by the Board. The review included market benchmarking of fixed remuneration for executive and non-executive directors, as well recommendations regarding the Executive incentive scheme and allocations.

In line with the BDO Remuneration recommendation, the Company provided the Executive with a long term, equity incentive plan, which aligns the Executive with creating long term value for the shareholders. No short term or cash incentive is currently offered to any executives or employees. The Board will reconsider the appropriateness of a short term, cash scheme when the Company returns to commercial production.

I am satisfied that the remuneration framework for Paladin is consistent with market expectations and practices, and most importantly aligns the Executive with the long term success of the Company and its shareholders.

Finally, 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.

Peter Main

Chairman, Governance, Remuneration and Nomination Committee

The Directors present the FY2022 Remuneration Report, outlining key aspects of our remuneration policy and framework, and remuneration awarded this year.

The report is structured as follows:

- Introduction and FY2022 Key Management Personnel
- Remuneration framework
- Linking long term performance and shareholder value
- Reconciliation of performance based remuneration
- Remuneration expenses for Executive KMP
- Non-Executive Director's remuneration
- Additional statutory information

INTRODUCTION AND FY2022 KEY MANAGEMENT PERSONNEL

The key management personnel (KMP) include the directors of Paladin Energy Ltd and the Executive KMP (Chief Executive Officer (CEO), the Chief Financial Officer (CFO)) 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. The KMP for the 2022 financial year are as follows:

Non-Executive Directors

- Mr Cliff Lawrenson, Non-Executive Chairman
- Mr Peter Watson, Non-Executive Director
- Mr Peter Main, Non-Executive Director
- Ms Melissa Holzberger, Non-Executive Director
- Ms Joanne Palmer, Non-Executive Director

These directors were members of the Board of Paladin Energy Ltd throughout the whole of the 2022 financial year.

Current Executive KMP

- Mr Ian Purdy, Chief Executive Officer
- Ms Anna Sudlow, Chief Financial Officer
- Mr Jonathon Clements, Senior Vice President – Projects & Development[2]
- Mr Jess Oram, Senior Vice President – Exploration[1]
- Mr Alex Rybak, Senior Vice President – Business Development & Marketing[1]

These Executive KMP held their positions throughout the whole of the 2022 financial year except as noted.

[1]Appointed 19 July 2021

[2]Resigned 31 July 2022

For the purposes of this report, the term Executives encompasses the CEO, CFO and the other Executive KMP.

There have been no other changes to Executive KMP after the reporting date.

REMUNERATION FRAMEWORK

Outline of Remuneration Framework

The Governance, Remuneration and Nomination Committee (the Committee) is made up of independent non-executive directors and is charged with assisting the Board by reviewing and making appropriate recommendations on remuneration packages for Executives. In addition, it makes recommendations on long term incentive plans and associated performance hurdles together with the quantum of grants awarded, considering both the individual's and Paladin's performance.

The Committee reviews the total number and allocation of any long term incentive grants and recommends the same for approval by the Board. The remuneration for the Executives and non-executive directors is reviewed by the Committee and determined by the Board.

In September 2021, BDO Remuneration completed an independent Executive and Non-Executive Director Remuneration Review and made recommendations to the Committee Chairman, which were subsequently adopted by the Paladin Board of Directors. The review included market benchmarking of fixed remuneration for Executives and non-executive directors, as well as recommendations regarding an Executive Long Term Incentive (LTI) plan and the associated award of Performance Rights (PRs).

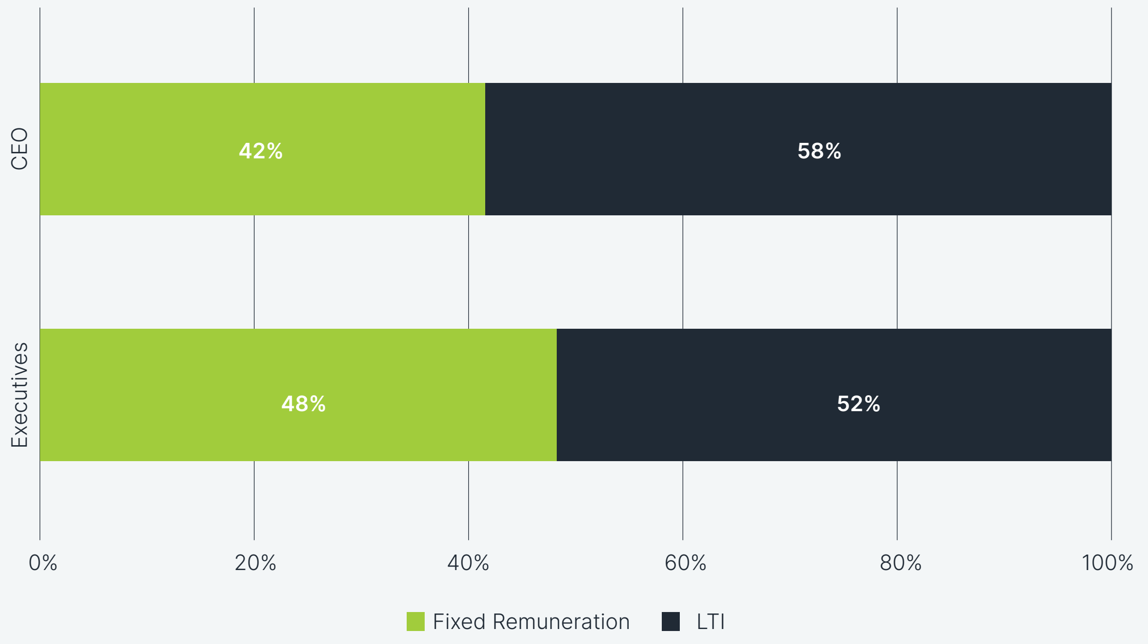
In line with the BDO Remuneration recommendations, the Committee endorsed an LTI plan for Executives, that aligns performance with creating long term value for the shareholders. The structure of this framework is provided in Figure 1 below.

Figure 1: Remuneration Framework

Element	Purpose	Performance Metrics	Potential Value	Changes for FY2022
Fixed Remuneration (FR)	Provide market competitive base salary including statutory superannuation and non-monetary benefits.	Base Salary – Nil	Positioned at median market rate	Independently reviewed in line with market positioning and Paladin performance
		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	Independently reviewed in line with market positioning and Paladin performance

The Total Incentive Opportunity (TIO) represents the sum of the fixed and LTI opportunity. The Total Incentive Opportunity Target Remuneration is shown in Figure 2.

Figure 2: TIO Target Remuneration Mix for FY2022



Fixed Remuneration

Executives may receive their fixed remuneration as cash, or cash with non-monetary benefits. This fixed remuneration is reviewed annually with consideration given to both Paladin's and the individual's performance. 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.

Remuneration and other terms of employment for the Executives are formalised in contracts for services.

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 3: Summary of Contractual Arrangements with Executives

<table>
<tr><th>Component</th><th>CEO Description</th><th>CFO Description</th><th>Other Executive Description</th></tr>
<tr><td>Fixed Remuneration (exclusive of superannuation)</td><td>A$560,000</td><td>A$350,000</td><td>Range between A$300,000 and A$340,000</td></tr>
<tr><td>Contract duration</td><td>No fixed term</td><td>No fixed term</td><td>No fixed term</td></tr>
<tr><td>Notice by the individual/Company</td><td>6 months</td><td>3 months</td><td>3 months</td></tr>
<tr><td>Termination Benefit</td><td>Not specified</td><td>Not specified</td><td>Not specified</td></tr>
<tr><td>Termination of employment (without cause)</td><td rowspan="2" colspan="3">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.</td></tr>
<tr><td>Termination of employment (with cause) or by the individual</td></tr>
</table>

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 are 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, (old incentive grant – no longer in use).

Long Term Incentive Plan Overview

BDO Remuneration recommended that Executives participate, at the Board's discretion, in the LTI plan comprising annual grants of Performance Rights which are subject to vesting hurdles.

The Board is cognisant of general shareholder concern that long term equity-based remuneration be linked to Paladin's performance and growth in shareholder value. Performance Rights issued to Executives under the LTI plan are usually measured over a three-year performance period. These will therefore only vest at the end of a three-year period subject to achieving performance hurdles. This promotes a focus on long term performance as the value of the PRs is linked to the ongoing performance of Paladin. This period represents an appropriate balance between providing a genuine and foreseeable incentive to Executives and fostering a long term alignment to shareholder interests.

Performance Criteria

At the beginning of each financial year a tranche/s of PRs will be granted to the Executive, and these will be assessed against the objectives relating to each tranche at the end of a three-year period. Once the PR has vested, the incumbent will have two years to exercise the PR at which point it will expire.

To the extent that the applicable vesting conditions are satisfied at the end of the three-year performance period, LTI awards are delivered by vesting of all or a portion of PRs in return for allocation to participants of fully paid ordinary shares.

The Company's performance is currently assessed using a market performance measure, Relative Total Shareholder Return (TSR). This requires that the Company's TSR is compared to a peer group of similar companies at the end of a three-year performance period. Two peer groups for performance benchmarking purposes have been identified below in Figures 4 and 5:

Figure 4: Uranium Peer Group (50% of award)

Company	Code
Cameco Corporation	TSX:CCO
KAZATOMPROM GDR REGS 1/1	DB:0ZQ
Nextgen Energy Limited	TSX:NXE
Denison Mines	TSX:DML
Energy Fuels Inc.	TSX:EFR
Bannerman Energy Limited	ASX: BMN
Boss Energy Limited	ASX: BOE
Fission Uranium Corp.	TSX: FCU
Uranium Energy Corp.	NYSE:UEC
Global Atomic Corporation	TSX:GLO
Ur Energy Inc	NYSE:URG
Encore Energy Corp.	TSXV:EU
Deep Yellow Limited	ASX: DYL
Lotus Resources Limited	ASX: LOT
Vimy Resources Limited	ASX: VMY

Figure 5: General Mining Peer Group (50% of award) – High Growth Mining Peers

Company	Code
Orocobre Limited	ORE
Iluka Resources	ILU
Whitehaven Coal	WHC
Liontown Resources	LTR
Coronado Global Res	CRN
Nickel Mines Limited	NIC
Champion Iron Ltd	CIA
Chalice Mining Ltd	CHN
New Hope Corporation	NHC
Aurelia Metals Ltd	AMI
Sandfire Resources	SFR
Perseus Mining Ltd	PRU
Regis Resources	RRL
Australian Strategic Materials	ASM
De Grey Mining	DEG
Silver Lake Resource	SLR
Gold Road Res Ltd	GOR
Ramelius Resources	RMS
Ioneer Ltd	INR
St Barbara Limited	SBM
Western Areas Ltd	WSA
Capricorn Metals	CMM
Bellevue Gold Ltd	BGL
Westgold Resources	WGX
Red 5 Limited	RED
Mount Gibson Iron	MGX
Resolute Mining	RSG
SSR Mining Inc	SSR

The vesting of the LTIs will be dependent on the outcome of Paladin's relative TSR performance. There is a minimum performance level that must be achieved as represented in the following Figure 6.

Figure 6: Relative TSR Performance

Relative TSR Performance	% Zero Exercise Price Option to Vest
Peer TSR comparison <50th percentile	0%
50th percentile < peer TSR comparison < 75th percentile	Pro-rata between 50% and 100%
Peer TSR comparison > 75th percentile	100%

Assessing LTI Performance

The Committee is responsible for assessing performance against criteria and recommending to the Board the LTI to be paid. To assist in this assessment a third-party accountant/audit service provider will be engaged to report on the market performance condition (i.e. Relative TSR ranking within the comparator group as defined in each of the LTI plans at each grant date). The FY2022 LTI award will be assessed at the end of financial year 2024.

Cancellation of LTI Remuneration

If a change of control event occurs the Board may determine in its absolute discretion the treatment of unvested PRs and the timing of such treatment, which may include determining that some or all of the unvested PRs vest, lapse or become subject to substitute or varied conditions. Any PRs not vested under the Change of Control rules lapse immediately.

The Board also 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 in vesting, behaviours of Executives that bring the Company into disrepute or any other reasonable factor as determined by the Board.

If an Executive resigns during this period, they will ordinarily forfeit their PRs at the Board's discretion.

Details of PRs issued to Executives as part of the FY2022 LTI are provided below in Figure 7.

REMUNERATION REPORT (AUDITED)

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 7: Performance Rights issued to Executives as the FY2022 LTI

Grant date	Vesting and exercise date	Expiry date	Exercise price	Value per PR at grant date	Performance achieved	% Vested
3 November 2021[1]	30 June 2024	1 July 2026	A$0.00	A$0.71	To be determined	-
3 November 2021[2]	30 June 2024	1 July 2026	A$0.00	A$0.77	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 uranium focused companies.

[2]The number of PRs that vest is based on the TSR of Paladin relative to the performance of a nominated peer group of 30 Australian Stock Exchange listed companies.

Performance Rights on Commencement of Employment

Performance Rights were issued to Executives appointed in FY2022 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 dependent on continued employment with the Company. The PRs issued on commencement are provided below in Figure 8.

Figure 8: Performance Rights issued to Executives on commencement of employment

Grant date	Vesting and exercise date	Expiry date	Exercise price	Value per PR at grant date	Performance achieved	% Vested
7 September 2021	27 September 2023	27 September 2026	A$0.00	A$0.82	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 9 below. The SARs carry no dividend or voting rights. Figure 9 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 9: 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 2021	1 July 2026	700,000	A$0.1226	A$0.06	Retention based	100%
1 July 2019	1 July 2022	1 July 2027	1,100,000	A$0.1226	A$0.07	Retention based	-

RECONCILIATION OF PERFORMANCE BASED REMUNERATION

The number of PRs over ordinary shares in the Company provided as remuneration to Executives is shown in Figure 10 below. The PRs carry no dividend or voting rights. When exercisable, each PR is convertible into one ordinary share of Paladin Energy Ltd.

Figure 10 shows for each Executive the value of PRs and SARs that were granted, exercised and forfeited during FY2022. The number of PRs and SARs vested/forfeited for each grant during FY2022 are disclosed in Figures 11 and 12 below.

Figure 10: Performance based remuneration granted and forfeited during the year

	Performance Rights			Share Appreciation Rights		
2022	Value granted US$	Value exercised US$	Value forfeited US$	Value granted US$	Value exercised US$	Value forfeited US$
Ian Purdy	220,619	-	-	-	-	-
Anna Sudlow	130,665	-	-	-	-	-
Jonathon Clements	107,995	-	-	-	-	-
Jess Oram	216,451	-	-	-	-	-
Alex Rybak	216,451	-	-	-	-	-

The table below shows a reconciliation of PRs held by each Executive from the beginning to the end of FY2022. During FY2022, 42,750,000 shares that had vested in the prior year were released from voluntary escrow. There were no unvested PRs as at 1 July 2021.

Figure 11: Reconciliation of Performance Rights

Name	Balance at the start of the year Unvested	Granted as compensation	Vested Number %	Exercised	Forfeited Number %	Balance at the end of the year Vested and exercisable	Balance at the end of the year Unvested
Ian Purdy[1]	-	1,630,895	-	-	-	-	1,630,895
Anna Sudlow[1]	-	820,293	-	-	-	-	820,293
Jonathon Clements[1]	-	798,334	-	-	-	-	798,334
Jess Oram[1]	-	710,501	-	-	-	-	710,501
Alex Rybak[1]	-	710,501	-	-	-	-	710,501
Jess Oram[2]	-	500,000	-	-	-	-	500,000
Alex Rybak[2]	-	500,000	-	-	-	-	500,000

[1]Grant date 3 November 2021 as part of the FY2022 LTI

[2]Grant date 7 September 2021 as commencement PRs

The table below shows a reconciliation of SARs held by each Executive from the beginning to the end of FY2022. At the commencement of FY2022, 700,000 SARs had vested. On 1 July 2021, a further 700,000 SARS vested.

Figure 12: Reconciliation of SARs

Name	Balance at the start of the year Unvested	Granted as compensation	Vested Number %	Exercised	Forfeited Number %	Balance at the end of the year Vested and exercisable	Balance at the end of the year Unvested
Anna Sudlow[1]	1,800,000	-	700,000	-	-	1,400,000	1,100,000

[1]Granted 1 July 2019. Fair value per right at grant date was A$0.06 and A$0.07 as detailed in Figure 9

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 13: Compensation of Executive KMP

		Fixed Remuneration			Variable Remuneration	Total		Total Performance Related	
Name	Year	Salary & Fees[1] US$	Other US$	Superannuation US$	PRs and SARs US$	US$	A$	US$	%
Ian Purdy	**2022**	**406,000**	**-**	**17,087**	**220,619**	**643,706**	**879,121**	**220,619**	**34.3**
	2021	373,034	-	16,185	651,738	1,040,957	1,395,257	651,738	62.6
Anna Sudlow	**2022**	**253,750**	**5,151[2]**	**17,087**	**130,665**	**406,653**	**555,998**	**130,665**	**32.1**
	2021	222,557	1,706	16,185	405,159	645,607	865,345	405,159	62.8
Jonathon Clements[3]	**2022**	**246,500**	**-**	**17,087**	**107,995**	**371,582**	**508,243**	**107,995**	**29.1**
	2021	161,247	-	12,139	535,677	709,063	950,399	535,677	75.5
Jess Oram[4]	**2022**	**207,614**	**-**	**20,001**	**216,451**	**444,066**	**604,523**	**216,451**	**48.7**
Alex Rybak[4]	**2022**	**207,614**	**-**	**20,761**	**216,451**	**444,826**	**605,571**	**216,451**	**48.7**
Michael Drake[5]	2021	29,054	-	4,046	-	33,100	44,366	–	–
Total Executive KMP remuneration expensed	**2022**	**1,321,478**	**5,151**	**92,023**	**892,181**	**2,310,833**	**3,153,456**	**892,181**	
	2021	785,892	1,706	48,555	1,592,574	2,428,727	3,255,367	1,592,574	

[1]Includes 4 weeks annual leave per annum
[2]Insurance
[3]Resigned 31 July 2022
[4]Appointed 19 July 2021
[5]Resigned 3 July 2020

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 average for the 2022 financial year US$1 = A$1.379310 (2021 financial year US$1 = A$1.34036).

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 7 and 8. 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.

NON-EXECUTIVE DIRECTOR REMUNERATION

Non-executive directors receive a board fee and fees for chairing or participating on board committees, see Figure 14 below. The fees are inclusive of superannuation. In addition, 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. 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 14 below. Refer Figure 15 below for details of compensation paid to Directors during FY2022.

Directors are also entitled to be reimbursed for reasonable expenses incurred whilst engaged on Paladin business. There is no entitlement to compensation on termination of non-executive directorships. Non-executive directors do not earn retirement benefits (other than the statutory superannuation).

All non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter refers to the board policies and terms, including remuneration, relevant to the office of a director.

The aggregate annual remuneration permitted to be paid to non-executive directors is A$1,200,000 (US$895,282) as approved by shareholders at the 2008 Annual General Meeting.

Figure 14: Non-Executive Directors' Remuneration Arrangements

Remuneration Component	Elements	Details (per annum)
Base Fee	Must be contained within aggregate limit	Chairman A$150,000 (US$82,068) Non-Executive Director A$100,000 (US$54,225)
Superannuation	Statutory contributions are included in the fees set out above	Statutory % of fees

Fees paid for the year to 30 June 2022 total US$416,875 (A$575,000). No additional fees were paid during the year ended 30 June 2022, other than the Directors' fees disclosed.

Figure 15: Compensation of Non-Executive Directors

		Fixed Remuneration		Variable Remuneration - LTI	Total		Total Performance Related	
Name	**Year**	**Salary & Fees US$**	**Superannuation US$**	**Share Rights US$**	**US$**	**A$**	**US$**	**%**
Cliff Lawrenson	**2022**	**108,750**	**-**	**-**	**108,750**	**150,000**	**-**	**-**
	2021	82,068	-	156,417[3]	238,485	319,655	156,417	65.6
Peter Main	**2022**	**72,500**	**-**	**-**	**72,500**	**100,000**	**-**	**-**
	2021	52,225	-	104,278[3]	156,503	209,770	104,278	66.6
Peter Watson[1]	**2022**	**82,386**	**8,239**	**-**	**90,625**	**125,000**	**-**	**-**
	2021	47,694	4,531	104,278[3]	156,503	209,770	104,278	66.6
Melissa Holzberger[2]	**2022**	**65,909**	**6,591**	**-**	**72,500**	**100,000**	**-**	**-**
	2021	5,897	560	-	6,457	8,655	-	-
Joanne Palmer[2]	**2022**	**65,909**	**6,591**	**-**	**72,500**	**100,000**	**-**	**-**
	2021	5,897	560	-	6,457	8,655	-	-
Total non-executive director remuneration	**2022**	**395,454**	**21,421**	**-**	**416,875**	**575,000**	**-**	
	2021	193,781	5,651	364,973	564,405	756,505	364,973	

[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 $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 17 May 2021

[3]PRs were issued to non-executive directors in FY2021 to provide an equity based component to their respective remuneration packages. These PR's vested during FY2021.

Shareholdings

The table below reconciles the shareholdings of non-executive directors and Executive KMP for FY2022.

Figure 16: 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	6,135,136	-	-	(3,900,000)	2,235,136
Peter Main	4,094,594	-	-	-	4,094,594
Peter Watson	4,094,594	-	-	(3,094,594)	1,000,000
Melissa Holzberger	21,743	-	-	-	21,743
Joanne Palmer	21,725	-	-	-	21,725
Executives		-			
Ian Purdy	25,675,676	-	-	(16,925,676)	8,750,000
Anna Sudlow	10,000,000	-	-	(3,350,000)	6,650,000
Jonathon Clements	8,000,000	-	-	(5,000,000)	3,000,000
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 2022 and 30 June 2021.

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 $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.

Reliance on External Remuneration Consultants

Paladin engaged remuneration consultants BDO to provide an independent remuneration review.

Voting of Shareholders at Last Year's Annual General Meeting

Paladin Energy Ltd received more than 95% of "yes" votes on its remuneration report for the 2021 financial year. The Company did not receive any specific feedback at the AGM on its remuneration practices.

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Auditor's Independence Declaration

As lead auditor for the audit of Paladin Energy Ltd for the year ended 30 June 2022, 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.

Justin Carroll
Partner
PricewaterhouseCoopers

Perth
25 August 2022

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CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2022

	Notes	2022 US$'000	2021 US$'000
Revenue			
Revenue	9	4,700	2,985
Cost of sales	10	(4,693)	(2,973)
Gross profit		**7**	**12**
Other income	10	999	2,452
Foreign exchange loss (net)	10	(8,179)	(3,934)
Administration, marketing and non-production costs	10	(23,759)	(24,225)
Loss before interest and tax		**(30,932)**	**(25,695)**
Finance costs	10	(13,006)	(32,412)
Net loss before income tax from continuing operations		**(43,938)**	**(58,107)**
Income tax expense	11	(1)	(151)
Net loss after tax from continuing operations		**(43,939)**	**(58,258)**
Attributable to:			
Non-controlling interests		(17,196)	(14,275)
Members of the parent		(26,743)	(43,983)
Net loss after tax		**(43,939)**	**(58,258)**
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	(1.0)	(2.0)

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 2022

	Notes	2022 US$'000	2021 US$'000
Net loss after tax		(43,939)	(58,258)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Foreign currency translation	7	(1,254)	2,975
Income tax on items of other comprehensive income		—	—
Items that will not be subsequently reclassified to profit or loss:			
Changes in the fair value of equity investments at fair value through other comprehensive income		432	8,201
Other comprehensive (loss)/profit for the year, net of tax		(822)	11,176
Total comprehensive loss for the year		**(44,761)**	**(47,082)**
Total loss attributable to:			
Non-controlling interests		(17,196)	(14,275)
Members of the parent		(27,565)	(32,807)
		(44,761)	**(47,082)**

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 2022

	Notes	2022 US$'000	2021 US$'000
ASSETS			
Current assets			
Cash and cash equivalents	5a	177,066	30,661
Restricted cash	5b	1,000	1,000
Trade and other receivables	14	5,084	1,978
Prepayments		1,263	1,259
Inventories	15	5,100	5,123
TOTAL CURRENT ASSETS		**189,513**	**40,021**
Non-current assets			
Trade and other receivables	14	194	4,776
Non-current financial assets	16	—	12,880
Right-of-use assets		918	780
Property, plant and equipment	17	166,274	178,089
Mine development	18	14,975	16,748
Exploration and evaluation expenditure	19	101,327	99,557
Intangible assets	20	7,793	8,312
TOTAL NON-CURRENT ASSETS		**291,481**	**321,142**
TOTAL ASSETS		**480,994**	**361,163**
LIABILITIES			
Current liabilities			
Trade and other payables	21	2,211	2,262
Lease liabilities		55	49
Provisions	22	335	540
TOTAL CURRENT LIABILITIES		**2,601**	**2,851**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2022

	Notes	2022 US$'000	2021 US$'000
Non-current liabilities			
Interest bearing loans and borrowings	6	78,558	68,743
Lease liabilities		880	788
Provisions	22	40,543	42,073
TOTAL NON-CURRENT LIABILITIES		**119,981**	**111,604**
TOTAL LIABILITIES		**122,582**	**114,455**
NET ASSETS		**358,412**	**246,708**
EQUITY			
Contributed equity	7	2,645,778	2,489,082
Reserves	7	(71,917)	(59,354)
Accumulated losses		(2,160,834)	(2,146,511)
Parent interests		**413,027**	**283,217**
Non-controlling interests		(54,615)	(36,509)
TOTAL EQUITY		**358,412**	**246,708**

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 2022

	Contributed Equity (Note 7) US$'000	Reserves (Note 7) US$'000	Accumulated Losses US$'000	Attributable to Owners of the Parent US$'000	Non-Controlling Interests US$'000	Total US$'000
Balance at 30 June 2020	**2,327,789**	**(70,269)**	**(2,104,132)**	**153,388**	**(60,389)**	**92,999**
Loss for the period	—	—	(43,983)	(43,983)	(14,275)	(58,258)
Other comprehensive income	—	11,176	—	11,176	—	11,176
Total comprehensive loss for the year net of tax	**—**	**11,176**	**(43,983)**	**(32,807)**	**(14,275)**	**(47,082)**
Share-based payment	2,355	(261)	—	2,094	—	2,094
Capital raising (net of costs)	158,938	—	—	158,938	—	158,938
Earn in of 5% share of Michelin Project	—	—	1,604	1,604	(1,604)	—
Transactions with owners in their capacity as owners	—	—	—	—	39,759	39,759
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 payment	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**

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 2022

	Notes	2022 US$'000	2021 US$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers[1]		4,700	2,985
Payments to suppliers and employees[2]		(11,718)	(9,787)
Other income[3]		158	1,340
Interest received		67	95
Interest and other costs of finance paid		—	(47)
Tax paid		(1)	(151)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	13	**(6,794)**	**(5,565)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(180)	(38)
Proceeds from sale of property, plant & equipment		—	50
Capitalised exploration expenditure		(1,005)	(1,081)
LHM restart study costs		(2,242)	(2,142)
Proceeds from sale of subsidiary		2,000	1,000
Proceeds from sale of investments[4]		13,386	—
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		**11,959**	**(2,211)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		162,514	166,560
Equity fundraising costs		(5,929)	(7,597)
Secured Notes interest paid[5]		—	(42,765)
Repayment of Secured Notes		—	(115,000)
Funds received from Shareholder[6]		811	—
NET CASH INFLOW FROM FINANCING ACTIVITIES		**157,396**	**1,198**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended 30 June 2022

	Notes	2022 US$'000	2021 US$'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**162,561**	**(6,578)**
Unrestricted cash and cash equivalents at the beginning of the financial year		30,661	34,237
Effects of exchange rate changes on cash and cash equivalents		(16,156)	3,002
UNRESTRICTED CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		**177,066**	**30,661**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

[1]During FY2022 and FY2021 the Company participated in a spot trading opportunity.
[2]Includes cost of sales relating to the spot trade of US$4,692,500 (FY2021: US$2,973,000).
[3]During FY2021 the Company reached final settlement for litigation related to previous activities at the Kayelekera Mine in the amount of US$1,316,000 (not related to the sale to Lotus Resources Ltd).
[4]During FY2022 the Company sold 90M shares in Lotus Resources Ltd
[5]The Group's accounting policy is to treat interest as financing cash flows
[6]Funds received by way of loan from CNNC Overseas Uranium Holding Limited to Langer Heinrich Uranium Pty Ltd to fund care and maintenance activities.

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 2022 was authorised for issue by the Directors on 25 August 2022.

Paladin is a company limited by shares, incorporated and domiciled in Australia whose shares are listed 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 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 12.

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.

The Group has adopted all applicable new and amended Australian Accounting Standards and AASB Interpretations effective from 1 July 2021.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 30 June 2022 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 29).

Basis of Consolidation

The consolidated financial statements comprise the financial statements of Paladin Energy Ltd and its subsidiaries as at 30 June 2022 (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.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

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.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

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. Upon the sale of a subsidiary the Functional Currency Translation Reserve (FCTR) attributable to the parent is recycled to the Consolidated Income Statement.

The functional currency of individual subsidiaries reflects their operating environment.

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.

Significant 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 17-20
- Estimated fair value of certain financial liabilities - Note 6
- Environmental rehabilitation provision - Note 22
- Useful lives of property, plant and equipment - Note 17

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

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 Namibia[1] 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 Exploration[2] 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.

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 2022 and 30 June 2021.

Year ended 30 June 2022	Exploration US$'000	Namibia US$'000	Australia US$'000	Consolidated US$'000
Sales to external customers	—	4,700	—	4,700
Total consolidated revenue	**—**	**4,700**	**—**	**4,700**
Cost of sales	—	(4,693)	—	(4,693)
Gross profit	**—**	**7**	**—**	**7**
Other income	—	5,270	865	999
Other expenses	—	(18,833)	(18,241)	(31,938)
Segment loss before income tax and finance costs	**—**	**(13,556)**	**(17,376)**	**(30,932)**
Finance costs	—	(6,417)	(6,589)	(13,006)
Loss before income tax	**—**	**(19,973)**	**(23,965)**	**(43,938)**
Income tax expense	—	—	(1)	(1)
Net loss after tax	**—**	**(19,973)**	**(23,966)**	**(43,939)**
At 30 June 2022				
Segment assets/total assets	94,601	203,651	182,742[3]	480,994

[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.
[2]In FY2022, the Company has only undertaken the work required to meet minimum tenement commitments.
[3]Includes US$176,514,000 in cash and cash equivalents.

Year ended 30 June 2022 (continued)	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	—	1,101	1,145
Exploration and Evaluation Expenditure	645	502	1,863	3,010

Year ended 30 June 2021	Exploration US$'000	Namibia US$'000	Australia US$'000	Consolidated US$'000
Sales to external customers	—	2,985	—	2,985
Total consolidated revenue	**—**	**2,985**	**—**	**2,985**
Cost of sales	—	(2,973)	—	(2,973)
Gross profit	**—**	**12**	**—**	**12**
Other income	—	40	5,475	5,515
Other expenses	—	(25,141)	(6,081)	(31,222)
Segment loss before income tax and finance costs	**—**	**(25,089)**	**(606)**	**(25,695)**
Finance costs	—	(8,992)	(23,420)	(32,412)
Loss before income tax	**—**	**(34,081)**	**(24,026)**	**(58,107)**
Income tax expense	—	—	(151)	(151)
Net loss after tax	**—**	**(34,081)**	**(24,177)**	**(58,258)**
At 30 June 2021				
Segment assets/total assets	94,840	215,156	51,167[4]	361,163

Year ended 30 June 2021	Australia US$'000	Canada US$'000	Namibia US$'000	Consolidated US$'000
Non-current assets (excluding financial assets) by country	68,755	31,540	207,967	308,262
Additions to non-current assets by country				
Property, Plant and Equipment	39	—	—	39
Exploration and Evaluation Expenditure	566	510	2,167	3,243

[4]Includes US$30,350,000 in cash and cash equivalents.

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.

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

	2022 US$'000	2021 US$'000
Cash at bank and on hand	32,168	3,608
Short-term bank deposits	144,898	27,053
Total cash and cash equivalents	**177,066**	**30,661**

NOTE 5B. RESTRICTED CASH

	2022 US$'000	2021 US$'000
Restricted cash at bank	1,000	1,000
Total restricted cash and cash equivalents	**1,000**	**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

		2022 US$'000	2021 US$'000
Non-Current			
Senior Secured Notes	(a)	—	—
LHU's loans from CNNC	(b)	78,558	68,743
Total Interest Bearing Loans and Borrowings		**78,558**	**68,743**

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 the 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 an unsecured 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.

(a) Senior loans and borrowings

Paladin fully redeemed US$115,000,000 Senior Secured Notes in April 2021. The Senior Secured Notes were subsequently cancelled, delisted and all security registrations have been discharged. Details of the redemption are set out below.

	Maturity	2022 US$'000	2021 US$'000
Non-Current			
Senior Secured Notes redemption			
Repayment of Senior Secured Notes issued	2023	—	115,000
Senior Secured Notes redemption premium & interest paid		—	42,765
Total redemption		**—**	**157,765**

(b) 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 Uranium Holding 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 2022 US$6,516,000 (2021 US$2,918,000) 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 2022 US$21,000 (2021 US$Nil) accretion expense had been recognised on these loans.

NOTE 7. CONTRIBUTED EQUITY AND RESERVES

Issued and Paid Up Capital

	Number of Shares			
	2022	2021	2022 US$'000	2021 US$'000
Ordinary shares				
Issued and fully paid	2,977,779,002	2,677,756,397	2,645,778	2,489,082

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 2020		**2,027,891,013**			**2,327,789**
December 2020	SARs exercised	1,056,623	—	—	—
December 2020	Conversion of PRs	14,250,000	—	—	—
January 2021	Conversion of PRs	14,250,000	—	—	—
March 2021	Conversion of PRs	14,250,000	—	—	—
March 2021	Share placement	520,330,943	0.37	1.31480	146,427
April 2021	Institutional offer	70,712,253	0.37	1.29958	20,132
April 2021	SARs exercised	245,195	—	—	—
May 2021	Conversion of PRs	14,250,000	—	—	—
May 2021	SARs exercised	326,377	—	—	—
June 2021	SARs exercised	193,993	—	—	—
	Transfer from share-based payment reserve				2,355
	Transaction costs				(7,621)
Balance 30 June 2021		**2,677,756,397**			**2,489,082**

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**

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 1 July 2020	**48,319**	**137**	**48,303**	**(183,347)**	**2,233**	**14,086**	**(70,269)**
Share-based payments	—	—	(261)	—	—	—	(261)
Foreign currency translation	—	—	—	2,975	—	—	2,975
Revaluation of financial assets	—	—	—	—	8,201	—	8,201
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)**

1 Relates to the sale of 90M Lotus Resources Ltd shares

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.

The financial instruments exposed to movements in the Australian dollar are as follows:

	2022 US$'000	2021 US$'000
Financial assets		
Cash and cash equivalents	163,814	17,428
Trade and other receivables	201	416
Non-current financial assets	—	12,880
	164,015	**30,724**
Financial liabilities		
Trade and other payables	(363)	(1,097)
Net exposure	**163,652**	**29,627**

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.

	IMPACT ON PROFIT/(LOSS)		IMPACT ON EQUITY	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Post-tax gain/(loss)				
AUD/USD +9% (2021: +9%)	11,330	(2,051)	—	891
AUD/USD -9% (2021: -9%)	(9,459)	1,712	—	(744)

The financial instruments exposed to movements in the Namibian dollar against the USD are as follows:

	2022 US$'000	2021 US$'000
Financial assets		
Cash and cash equivalents	332	78
Trade and other receivables	139	38
	471	**116**
Financial liabilities		
Trade and other payables	(265)	(169)
Net exposure	**206**	**(53)**

Based on the Group's net exposure at the balance date, a reasonably possible change in the exchange rate would not have a material impact on profit or equity.

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.

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 year, certain shareholder loans were extended with revised conditions. Note 6 details the impact of the extensions. 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:

	2022 US$'000	2021 US$'000
Financial assets		
Cash and cash equivalents	177,066	30,661
Restricted cash	1,000	1,000
	178,066	**31,661**
Financial liabilities		
Interest-bearing liabilities	(52,732)	(46,066)
Net exposure	**125,334**	**(14,405)**

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:

	2022 US$'000	2021 US$'000
Financial assets		
Other financial assets	—	12,880

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 June 2022

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.

	IMPACT ON EQUITY	
	2022 US$'000	2021 US$'000
Post-tax gain/(loss)		
Market price +25% (2021: +25%)	—	2,254
Market price -25% (2021: -25%)	—	(2,254)
Post-tax impact on reserve		
Market price +25% (2021: +25%)	—	2,254
Market price -25% (2021: -25%)	—	(2,254)

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 facilities.

The maturity profile of the Group's payables based on contractual undiscounted payments is as follows:

	Payables maturity analysis				
	Total US$'000	<1 year US$'000	1-2 years US$'000	2-3 years US$'000	>3 years US$'000
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**
2021					
Trade and other payables	2,262	2,262	—	—	—
LHU's loans from CNNC - principal	80,928	—	—	—	80,928
Interest payable on CNNC loans	24,656	—	—	—	24,656
Total payables	**107,846**	**2,262**	**—**	**—**	**105,584**

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 was a total of US$183,249,000 (2021: US$38,415,000), comprising cash and trade and other receivables.

	2022 US$'000	2021 US$'000
Current		
Cash and cash equivalents[1]	177,066	30,661
Restricted cash[2]	1,000	1,000
Trade and other receivables – other entities	4,989	1,877
	183,055	**33,538**
Non-Current		
Trade and other receivables – other entities	194	4,776
Total	**183,249**	**38,314**

		Receivables ageing analysis		
2022	**Total US$'000**	**<1 year US$'000**	**1-2 years US$'000**	**2-3 years US$'000**
Other receivables	5,183	4,989	194	—
Total receivables	**5,183**	**4,989**	**194**	**—**
2021				
Other receivables	6,653	1,877	380	4,396
Total receivables	**6,653**	**1,877**	**380**	**4,396**

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

[1] The Group's maximum deposit with a single financial institution represents 49% (2021: 62%) of cash and cash equivalents. This financial institution has a credit rating of Aa3 (2021: Aa3).
[2] Restricted cash is held in Namibia, this financial institution has a credit rating of Ba2 (2021: Ba2).

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 2022				Year ended 30 June 2021			
	(Level 1) US$'000	(Level 2) US$'000	(Level 3) US$'000	Total US$'000	(Level 1) US$'000	(Level 2) US$'000	(Level 3) US$'000	Total US$'000
Financial assets for which fair values are disclosed								
Australia listed shares	—	—	—	—	12,880	—	—	12,880
Share receivables	—	—	1,926	1,926	—	—	1,889	1,889
Cash receivables	—	—	2,796	2,796	—	—	4,364	4,364
Total financial assets	**—**	**—**	**4,722**	**4,722**	**12,880**	**—**	**6,253**	**19,133**

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.

	2022 US$'000	2021 US$'000
Debt (face value plus accrued interest)[1]	—	—
Less cash and cash equivalents	(177,066)	(30,661)
Net Debt	**(177,066)**	**(30,661)**
Total equity	358,412	246,708
Total Capital	**181,346**	**216,047**
Gearing Ratio (defined as net debt/total capital)	**0%**	**0%**

PERFORMANCE FOR THE YEAR

NOTE 9. REVENUE

	2022 US$'000	2021 US$'000
Sale of uranium	4,700	2,985
Total	**4,700**	**2,985**

During FY2022 and FY2021 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 Langer Heinrich Mine is in Care and Maintenance and consequently 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.

[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.

NOTE 10. INCOME AND EXPENSES

	2022 US$'000	2021 US$'000
Cost of Sales		
Inventory purchased	(4,693)	(2,973)
Total	**(4,693)**	**(2,973)**
Other Income		
Other income	999	2,452
Total	**999**	**2,452**
Foreign exchange loss (net)	**(8,179)**	**(3,934)**
Administration, Marketing and Non-Production Costs		
Corporate and marketing	(2,694)	(3,539)
Corporate restructure costs	(29)	(300)
LHM mine site	(3,727)	(3,011)
LHM depreciation	(15,106)	(15,120)
Other	(2,203)	(2,255)
Total	**(23,759)**	**(24,225)**
Finance Costs		
LHU's loans from CNNC	(3,111)	(2,946)
Accretion expense on shareholder loans	(6,537)	(2,918)
Mine closure provision accretion expense	(3,306)	(3,128)
Lease interest expense	(52)	(2)
Senior Secured Notes	—	(12,019)
Accretion expense relating to Senior Secured Notes	—	(11,352)
Other finance costs	—	(47)
Total	**(13,006)**	**(32,412)**
Total depreciation and amortisation expense	(15,310)	(15,241)

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.

Employee Benefits Expense	2022 US$'000	2021 US$'000
Wages and salaries	(3,128)	(2,718)
Defined contribution superannuation	(358)	(289)
Share-based payments	(1,997)	(2,094)
Other employee benefits	(571)	(511)
Total	**(6,054)**	**(5,612)**

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

	2022 US$'000	2021[1] US$'000
Income Tax Expense		
Current income tax		
Current income tax expense	1	151
Deferred income tax		
Related to the origination and reversal of temporary differences	—	—
Income tax expense reported in the Income Statement	**1**	**151**
Amounts Charged or Credited Directly to Equity		
Deferred income tax related to items charged or credited directly to equity:		
Fair value adjustment to CNNC Loans	(193)	(13,815)
Tax losses recognised to offset fair value adjustment	193	13,815
Income tax benefit reported in equity	**—**	**—**

[1] Comparatives have been restated to conform with current year presentation.

	2022 US$'000	2021[1] US$'000
Numerical Reconciliation of Income Tax Benefit to Prima Facie Tax Payable		
Loss before income tax expense from continuing operations	**(43,938)**	**(58,107)**
Tax at the Australian tax rate of 30% (2021 – 30%)	(13,182)	(17,432)
Difference in overseas tax rates	(1,223)	(4,899)
Non-deductible items	730	1,356
Under/over prior year adjustment	—	—
Deferred tax assets on losses not recognised	13,676	21,126
Income tax expense reported in the Consolidated Income Statement	**1**	**151**

Tax Losses	2022 US$'000	2021[1] US$'000
Australian unused tax losses and capital losses for which no deferred tax asset has been recognised[2,3]	(741,735)	(750,692)
Other unused tax losses for which no deferred tax asset has been recognised[4]	(373,531)	(380,039)
Total unused tax losses for which no deferred tax asset has been recognised	**(1,115,266)**	**(1,130,731)**

The gross value of unused capital losses for which no deferred tax asset has been recognised are US$660.4M (2021: US$663.7M). 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[1]		
Deferred tax liabilities		
Accelerated prepayment deduction for tax purposes	(297)	(111)
Accelerated depreciation for tax purposes	(65,977)	(70,820)
Exploration expenditure	(3,578)	(2,686)
Inventory / Consumables	(3,144)	(3,152)
Other	(4,006)	(7,856)
Gross deferred tax liabilities	(77,002)	(84,625)
Set off of deferred tax assets	77,002	84,625
Net deferred tax liabilities	—	—

[1] Comparatives have been restated to conform with current year presentation.
[2] Including tax losses transferred from Summit Resources Limited on consolidation.
[3] Prior year comparatives as at 30 June 2021 have been restated by the inclusion of capital losses.
[4] Excluding tax losses from discontinued operation.

Tax Losses	2022 US$'000	2021 US$'000
Deferred tax assets		
Revenue losses available for offset against future taxable income	163,427	161,017
Foreign currency balances	48,487	45,582
Interest bearing liabilities	33,600	29,269
Provisions	7,443	8,085
Other	3,118	2,755
Deferred tax assets not recognised	(179,073)	(162,083)
Gross deferred tax assets	**77,002**	**84,625**
Set off against deferred tax liabilities	(77,002)	(84,625)
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.

NOTE 12. EARNINGS PER SHARE

	2022 US cents	2021 US cents
Loss per share attributable to ordinary equity holders of the Parent from continuing operations	(1.0)	(2.0)

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	2022 US$'000	2021 US$'000
Net loss attributable to ordinary equity holders of the Parent from continuing operations	(26,743)	(43,983)

	2022 Number of Shares	2021 Number of Shares
Weighted average number of ordinary shares used in calculation of basic earnings per share	2,747,439,635	2,201,765,877
Weighted average number of ordinary shares used in calculation for diluted earnings per share	2,759,963,496	2,205,415,804
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	12,523,861	3,649,927

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 2022 and 2021 as the number of potentially dilutive shares does not change the result of earnings per share.

NOTE 13. RECONCILIATION OF EARNINGS AFTER INCOME TAX TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 US$'000	2021 US$'000
Reconciliation of Net Loss After Tax to Net Cash Flows Used in Operating Activities		
Net loss	(43,939)	(58,258)
Adjustments for		
Depreciation and amortisation	15,310	15,241
Sundry income	(642)	(1,015)
Loss/(Gain) on disposal of property, plant and equipment	12	(12)
Net exchange differences	8,206	3,525
Share-based payments	1,997	2,028
Non-cash financing costs	6,470	29,447
Accretion expense on shareholder loan	6,537	2,918
Changes in operating assets and liabilities		
Increase in prepayments	(4)	(37)
Increase in trade and other receivables	(55)	(128)
Decrease in inventories	23	9
(Decrease)/increase in trade and other payables	(641)	700
(Decrease)/increase in provisions	(68)	17
Net cash flows used in operating activities	**(6,794)**	**(5,565)**

OPERATING ASSETS AND LIABILITIES

NOTE 14. TRADE AND OTHER RECEIVABLES

	Notes	2022 US$'000	2021 US$'000
Current			
Trade receivables and other receivables	A	4,989	1,877
GST and VAT	B	95	101
Total current receivables		**5,084**	**1,978**
Non-Current			
Trade receivables and other receivables	A	-	4,396
Long term deposits	C	194	380
Total non-current receivables		**194**	**4,776**

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.

Future receivables from the sale of Paladin (Africa) Limited include:

- A$3M shares in Lotus Resources Ltd due to be issued 13 March 2023;
- US$3M repayment of the environmental performance bond due 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.

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. INVENTORIES

	2022 US$'000	2021 US$'000
Current		
Stores and consumables (at cost)	5,100	5,123
Total current inventories at the lower of cost and net realisable value	**5,100**	**5,123**

Inventory Expense
Uranium inventories purchased for subsequent sale by the Group during the year ended 30 June 2022 were recognised as an expense totalling US$4,692,500 (2021: US$2,973,000).

Write-down of Inventories
During 2022 stores and consumables held at LHM were written down by US$5,411 (2021: US$5,105) 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.

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.

NOTE 16. NON-CURRENT FINANCIAL ASSETS

	2022 US$'000	2021 US$'000
Non-current financial assets	—	12,880

The Group held an investment in Lotus Resources Limited at 30 June 2021 of 90,000,000 shares subject to a 12-month voluntary escrow which expired on 13 March 2021. Since 1 July 2021, the shares were sold off-market at AU$0.20 per share, for gross proceeds of A$18M (US$13,386,000). Immediately prior to the sale the shares were revalued to a fair value of US$14,879,000 based on the closing share price immediately prior to the sale. On sale, the amount in the Asset Revaluation Reserve associated with those shares of US$10,866,000 was transferred to retained earnings (net of tax $Nil). Accordingly, the Consolidated Statement of Other Comprehensive Income shows a gain of US$432,000 for the year ended 30 June 2022. The Revaluation Reserve associated with the Lotus Resources shares as of 30 June 2021 (US$10,434,000) was transferred to Retained Profits/Accumulated Losses.

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.

NOTE 17. PROPERTY, PLANT AND EQUIPMENT

	Total US$'000	Plant and Equipment US$'000	Land and Buildings US$'000	Construction Work in Progress US$'000
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)	—
2021				
Net carrying value				
At 1 July 2020	190,889	185,361	4,772	756
Additions	39	39	—	—
Depreciation and amortisation expense	(12,819)	(12,455)	(364)	—
Disposals	(38)	(38)	—	—
Foreign currency translation	18	18	—	—
At 30 June 2021	**178,089**	**172,925**	**4,408**	**756**
Cost	380,059	369,442	9,861	756
Accumulated depreciation	(201,970)	(196,517)	(5,453)	—

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

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.

NOTE 18. MINE DEVELOPMENT

	2022 US$'000	2021 US$'000
Mine development – at cost	63,091	63,091
Less accumulated depreciation and impairment	(48,116)	(46,343)
Net carrying value – mine development	**14,975**	**16,748**
Net carrying value at start of year	16,748	18,548
Depreciation and amortisation expense	(1,773)	(1,800)
Net carrying value at end of year	**14,975**	**16,748**

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

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.

NOTE 19. 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 2022:

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 2020	**39,441**	**7,543**	**7,866**	**27,885**	**7,416**	**159**	**3,059**	**93,369**
Expenditure capitalised	79	259	51	510	108	69	2,167	3,243
Foreign exchange differences	—	—	—	2,945	—	—	—	2,945
Balance 30 June 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**

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 2021, there have been no events or changes in circumstances to indicate that the carrying value may not be recoverable.

NOTE 20. INTANGIBLE ASSETS

	2022 US$'000	2021 US$'000
At 30 June		
Intangible assets – at cost	17,803	17,803
Less accumulated depreciation and impairment	(10,010)	(9,491)
Net carrying value – intangible assets	**7,793**	**8,312**

Amortisation of US$519,000 (2021: US$519,000) is included in non-production costs in the Consolidated Income Statement.

Movements in Intangible Assets

Movements in each group of intangible asset during the financial year are set out below:

	Right to Supply of Power US$'000	Right to Supply of Water US$'000	Total US$'000
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
2021			
Net carrying value at 1 July 2020	2,473	6,358	8,831
Amortisation expense	(145)	(374)	(519)
Net carrying value at 30 June 2021	2,328	5,984	8,312

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.

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.

NOTE 21. TRADE AND OTHER PAYABLES

	2022 US$'000	2021 US$'000
Current		
Trade and other payables	2,211	2,262
Total current payables	**2,211**	**2,262**

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.

NOTE 22. PROVISIONS

	2022 US$'000	2021 US$'000
Current		
Employee benefits	335	540
Total current provisions	**335**	**540**
Non-Current		
Employee benefits	136	—
Environmental rehabilitation provision	40,407	42,073
Total non-current provisions	**40,543**	**42,073**

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 2021	42,073
Unwinding of discount rate	3,306
Foreign currency movements	(4,972)
At 30 June 2022	**40,407**

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.

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.

OTHER NOTES

NOTE 23. KEY MANAGEMENT PERSONNEL

Details of Key Management Personnel

1 *Directors*

Mr Cliff Lawrenson	Chairman (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)

2 *Executives*

Mr Ian Purdy	Chief Executive Officer
Ms Anna Sudlow	Chief Financial Officer
Mr Jonathon Clements	Senior Vice President - Projects & Development (resigned 31 July 2022)
Mr Jess Oram	Senior Vice President - Exploration (appointed 19 July 2021)
Mr Alex Rybak	Senior Vice President - Business Development & Marketing (appointed 19 July 2021)

Compensation of Key Management Personnel: Compensation by Category

	2022 US$	2021 US$
Short-term employee benefits	1,722,083	981,379
Post-employment benefits	113,444	54,206
Share-based payments	892,181	1,957,547
	2,727,708	**2,993,132**

NOTE 24. AUDITORS REMUNERATION

The auditor of the Paladin Energy Ltd Group is PricewaterhouseCoopers.

	2022 US$	2021 US$
Amounts received or due and receivable by PricewaterhouseCoopers (Australia) for:		
Audit or review of the financial report of the consolidated Group	128,598	140,237
Other services	—	—
Taxation services:		
Tax compliance services	38,342	27,900
Sub-total	**166,940**	**168,137**
Amounts received or due and receivable by related practices of PricewaterhouseCoopers (Australia) for:		
Audit or review of the financial report of subsidiaries and audit related services	28,886	27,965
Other services	162	288
Taxation services:		
Tax compliance services	264	450
International tax consulting	1,747	
Sub-total	**31,059**	**28,703**
Total	**197,999**	**196,840**

NOTE 25. 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 2022 other than:

	2022 US$'000	2021 US$'000
Tenements		
Commitments for tenements contracted for at the reporting date but not recognised as liabilities, payable:		
Within one year	41	90
Later than one year but not later than 5 years	3,671	681
More than 5 years	90	493
Total tenements commitment	**3,802**	**1,264**

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$516,657) (2021: A$750,000 (US$564,899)) by the Group to the vendors when all project development approvals are obtained.

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:

	2022 US$'000	2021 US$'000
Within one year	444	145
Later than one year but not later than 5 years	791	1,023
More than 5 years	517	558
Total other commitments	**1,752**	**1,726**

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 2022 the Group has outstanding US$112,998 (A$164,032) (2021: US$123,549 (A$164,032)) as a current guarantee provided by a bank for the corporate office lease; a US$10,333 (A$15,000) (2021: US$11,298 (A$15,000)) guarantee for tenements and a US$44,777 (A$65,000) (2021: US$48,958 (A$65,000)) guarantee for corporate credit cards.

NOTE 26. RELATED PARTIES

Key Management Personnel

The only related party transactions are with Directors and Key Management Personnel. Refer to Note 23. Details of material-controlled entities are set out in Note 27.

Loans from related parties – LHU's loans from CNNC (refer to Note 6)

Non-Current	2022 US$'000	2021 US$'000
At 1 July 2021	68,743	102,638
Drawdowns	811	—
Interest charged	3,111	2,946
Fair value adjustment to shareholder loan	(644)	(39,759)
Accretion expense	6,537	2,918
At 30 June 2022	**78,558**	**68,743**

Transactions With Related Parties – Purchase of Uranium from CNNC

	2022 Us$'000	2021 Us$'000
Purchase of uranium	4,693	**2,973**

NOTE 27. GROUP INFORMATION

Information Relating to Paladin Energy Ltd (Parent)

	2022 US$'000	2021 US$'000
Current assets	181,285	32,127
Total assets	253,156	252,854
Current liabilities	596	1,388
Total liabilities	12,345	11,934
Issued capital	2,645,778	2,489,082
Accumulated losses	(2,455,032)	(2,813,872)
Option application reserve	137	137
Share-based payments reserve	49,928	48,042
Revaluation reserve	—	10,434
Total shareholders' equity	240,811	266,177
Net loss after tax from operations	(10,502)	(41,141)
Total comprehensive loss	**(10,502)**	**(41,141)**

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$40,407,000 (30 June 2021: US$42,073,000) 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 2022 %	2021 %
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
Paladin Energy Canada Ltd[2]	Canada	—	100
Michelin Uranium Ltd[2]	Canada	—	100
Paladin Canada Investment (NL) Ltd[2]	Canada	—	100
Paladin Canada Holdings (NL) Ltd[2]	Canada	—	100
Aurora Energy Ltd[2 3]	Canada	100	100

[1] Langer Heinrich Mauritius Holdings Ltd owns 100% of Langer Heinrich Uranium (Pty) Ltd.
[2] On 1 July 2021, the five Canadian entities were amalgamated into one entity, Aurora Energy Ltd.
[3] Aurora Energy Ltd equity accounts a 70% interest (FY21: 65%) 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 will receive 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the year ended 30 June 2022

NOTE 28. 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 2022 Financial Report:

On 19 July 2022 Paladin announced the decision to return the Langer Heinrich Mine, located in Namibia, to production.

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 restart 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 has committed to provide 100% project funding via priority loans to be repaid in priority to all outstanding shareholder loans.

With US$177.1M in unrestricted cash as at 30 June 2022, Paladin is well positioned to deliver first production from the Langer Heinrich Mine, pursue further uranium marketing activities and advance the global exploration portfolio.

A new mine plan will be developed prior to commencement of Operations, and a full external review will be conducted to update the mine closure costs using this new mine plan.

NOTE 29. 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 2022:

Reference/ Title	Summary	Application date of standard*	Application date for Group*
Narrow scope amendments issued for AASB 116, AASB 137, AASB 3 and Annual Improvements made to AASB 1, AASB 9 and AASB 16 (AASB 2020-3)	The AASB has made Narrow scope amendments to • AASB 116 Property, Plant and Equipment in relation to proceeds before intended use • AASB 137 Provisions, Contingent Liabilities and Contingent • Assets in relation to onerous contracts and the cost of fulfilling a contract • AASB 3 Business combinations in relation to references to the Conceptual Framework, and • Annual improvements to AASB 16, AASB 1 and AASB 9.	1 January 2022	1 July 2022
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 July 2023

* 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 2022, 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 49 to 93, 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 2022 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 2022 (**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 2022

On behalf of the board

Cliff Lawrenson

Chairman

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 2022 and of its financial performance for the year then ended, and

(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 2022
- 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.

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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
For the purpose of our audit we used overall Group materiality of US$4.8 million, which represents approximately 1% of the Group's total assets. 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. We chose total assets as the benchmark because the Group is not currently operating its assets which are in the care and maintenance or 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. 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.	Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events. 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: • 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.

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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
Assessment of impairment indicators for Langer Heinrich ***(Refer to note 4,17 to 20) [US$196,178,000]*** The Group performed an assessment for impairment indicators as required by Australian Accounting Standards for the Langer Heinrich Cash Generating Unit (CGU) which is currently in care and maintenance. As at 30 June 2022, the US$196,178,000 Namibian segment non-current assets (comprising property, plant and equipment, mine properties, exploration and evaluation and intangible assets) are attributable to the Langer Heinrich CGU. The Group concluded that there were no impairment indicators. This was a key audit matter due to the significant carrying value of the Group's Langer Heinrich CGU and the judgements required and assumptions used in determining whether there were any impairment indicators.	We evaluated the Group's assessment of whether there were any indicators of asset impairment at 30 June 2022 for the Langer Heinrich CGU. We applied professional scepticism in our evaluation of judgements made by the Group and our procedures included: • comparing medium and long term uranium pricing to external industry forecasts, • comparing resource estimates to the most recent Langer Heinrich Resource Statement, • comparing foreign exchange and inflation rate assumptions to current economic forecasts, • assessing the Group's market capitalisation as an indicator for impairment, and • assessing the reasonableness of the accounting policy and method selected is appropriate in light of the Accounting Standards and circumstances, and • confirming a consistent methodology for the assessment of impairment indicators has been applied.
Environmental rehabilitation provisions ***(Refer to note 22) [US$40,407,000]*** As a result of its mining and processing operations, the Group is obliged to restore and rehabilitate the environment disturbed by these operations. Rehabilitation activities are governed by a combination of legislative and licence requirements. At 30 June 2022 the consolidated statement of financial position included provisions for such obligations of US$40.4 million. 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.	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: • 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 2022 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.

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 36 to 44 of the directors' report for the year ended 30 June 2022.

In our opinion, the remuneration report of Paladin Energy Ltd for the year ended 30 June 2022 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.

PricewaterhouseCoopers

Justin Carroll
Partner

Perth
25 August 2022

ADDITIONAL INFORMATION

Pursuant to the Listing Requirements of ASX as at 22 August 2022.

1. Distribution and number of holders

Range			Total Holders	No. of Shares
1	—	1,000	3,367	1,726,091
1,001	—	5,000	6,301	16,416,675
5,001	—	10,000	2,996	22,796,018
10,001	—	100,000	5,911	182,565,932
100,001	—	maximum	956	2,754,274,286
			19,531	**2,977,779,002**

2,298 shareholders hold less than a marketable parcel of shares.

2. The twenty largest shareholders hold 81.67% of the total shares issued

Holder	No. of Shares	%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	607,573,494	20.40
CITICORP NOMINEES PTY LIMITED	470,388,790	15.80
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	290,733,000	9.76
NDOVU CAPITAL XII B V	261,589,744	8.78
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	172,762,352	5.80
BNP PARIBAS NOMS PTY LTD <DRP>	144,140,752	4.84
NATIONAL NOMINEES LIMITED	106,187,399	3.57
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	62,330,587	2.09
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	54,267,994	1.82
HOPU CLEAN ENERGY (SINGAPORE) PTE LTD	54,172,072	1.82
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	52,976,966	1.78
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	38,213,577	1.28
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	29,753,178	1.00
WASHINGTON H SOUL PATTINSON & CO LTD	22,500,000	0.76
BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS DRP>	16,726,659	0.56
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	12,402,193	0.42

ADDITIONAL INFORMATION

Pursuant to the Listing Requirements of ASX as at 22 August 2022.

Holder	No. of Shares	%
SACHEM COVE SPECIAL OPPORTUNITIES FUND LP	9,518,223	0.32
XUE INVESTMENTS PTY LIMITED <XUE FAMILY A/C>	8,881,636	0.30
EGP CONSULTING PTY LTD <IAN PURDY FAMILY A/C>	8,750,000	0.29
MCNEIL NOMINEES PTY LIMITED	8,147,782	0.27
	2,432,016,398	**81.67**

Substantial shareholders as disclosed in substantial shareholder notices given to the Company are as follows:

Tembo Capital Mining Fund II LP and related entities

Paradice Investment Management Pty Ltd

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. Securities Subject to Voluntary Escrow

During the reporting period ended 30 June 2022, there were 57,000,000 ordinary shares that were subject to voluntary escrow. Each tranche of ordinary shares subject to voluntary escrow were released from escrow on 7 December 2021, 11 January 2022, 2 March 2022 and 13 May 2022.

5. Unquoted securities

Unlisted Share Appreciation Rights

The Company has 4,050,250 Share Appreciation Rights on issue, issued in accordance with the Share Rights Plan approved by shareholders. The number of beneficial holders of share appreciation rights totals 12.

Unlisted Performance Rights

The Company has 9,275,639 Performance Rights on issue.

ADDITIONAL INFORMATION

Pursuant to the Listing Requirements of ASX as at 22 August 2022.

TENEMENT INFORMATION REQUIRED BY LISTING RULE 5.20

Tenement	Location	Ownership
EPM 11898	QLD, Australia	20%
EPM 13412	QLD, Australia	20%
EPM 13413	QLD, Australia	20%
EPM 13682	QLD, Australia	20%
EPM 14040	QLD, Australia	0%
EPM 14233	QLD, Australia	18%
EPM 14694	QLD, Australia	20%
EPM 14712	QLD, Australia	20%
EPM 14821	QLD, Australia	20%
EPM 14935	QLD, Australia	20%
EPM 15156	QLD, Australia	20%
MDL 507	QLD, Australia	100%
MDL 508	QLD, Australia	100%
MDL 509	QLD, Australia	100%
MDL 510	QLD, Australia	100%
MDL 511	QLD, Australia	100%
MDL 513	QLD, Australia	100%
M08/86	WA, Australia	100%
M08/87	WA, Australia	100%
M08/88	WA, Australia	100%
E08/1645	WA, Australia	100%
E08/1646	WA, Australia	100%
EL 6132	SA, Australia	7.5%
ML 140	Namibia, Africa	75%
ML 172	Namibia, Africa	75%

ADDITIONAL INFORMATION

Pursuant to the Listing Requirements of ASX as at 22 August 2022.

TENEMENT INFORMATION REQUIRED BY LISTING RULE 5.20 (CONTINUED)

Tenement	Location	Ownership
022147M	NL, Canada	70%
024697M	NL, Canada	70%
024995M	NL, Canada	70%
025621M	NL, Canada	70%
025641M	NL, Canada	70%
025649M	NL, Canada	70%
025651M	NL, Canada	70%
025658M	NL, Canada	70%
025675M	NL, Canada	70%
025676M	NL, Canada	70%
025677M	NL, Canada	70%
025678M	NL, Canada	70%
025680M	NL, Canada	70%
025681M	NL, Canada	70%
025932M	NL, Canada	70%

PALADIN

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.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the Company. All press releases, financial statements and other information are available on our website www.paladinenergy.com.au.

Corporate Directory

DIRECTORS

Non-Executive Chairman	Mr Cliff Lawrenson
Non-Executive Directors	Mr Peter Main Mr Peter Watson Ms Melissa Holzberger Ms Joanne Palmer
Chief Executive Officer	Mr Ian Purdy
Company Secretary	Mr Jeremy Ryan

REGISTERED OFFICE

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INVESTOR RELATIONS

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AUDITORS

PricewaterhouseCoopers
125 St Georges Terrace
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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

PALADIN

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