



PALADIN

Clean energy. Clear future.

Level 8, 191 St Georges Terrace
PO Box 8062
Cloisters Square PO WA 6850
+61 8 9423 8100
paladin@paladinenergy.com.au
paladinenergy.com.au

PALADIN ENERGY LTD
ABN 47 061 681 098
ASX code: PDN

ASX Announcement
20 April 2023

Quarterly Activities Report **For the period ending 31 March 2023**

Paladin Energy Ltd (**Paladin** or the **Company**) is pleased to provide an update on its activities and cashflow for the quarter ended 31 March 2023.

HIGHLIGHTS

- Paladin's owner team, alongside our EPCM partner ADP, continue to progress and execute activities focused on returning the Langer Heinrich Mine to production. The project is on track and on budget (US\$118M) for first production in Q1 CY2024
- A contractor workforce of over 600 personnel has been mobilised to site. Key work packages progressed during the period include the continued Repair and Refurbishment scopes, commencement of civil construction, shipment of the second Hydrosort classifier to site, and the contract award for the drum packaging plant
- At the time of this report the project is estimated to be approximately 40% complete
- No lost time injuries or reportable environmental incidents were recorded during the quarter
- Paladin continues to engage with top-tier industry counterparties, via RFP processes and off-market discussions as the Company seeks to layer industry leading offtake agreements ahead of production
- Exploration activity at Michelin, Canada focused on the analysis of data from the summer exploration campaign with the aim of identifying new drill targets
- During the quarter Mr Paul Hemburrow commenced as Chief Operating Officer and Dr Jon Hronsky OAM was appointed as an independent non-executive director
- Unrestricted cash at 31 March 2023 of US\$147.2 million.

Paladin CEO, Ian Purdy said *"Paladin continues to progress restart activities at the Langer Heinrich Mine in Namibia. The work executed to date, combined with our well-defined pathway to production and on-site project execution team ensures that the project remains on time and budget with first production targeted for Q1 CY2024. With a strong uranium contract book and a world class asset in the Langer Heinrich Mine, Paladin remains well positioned to deliver long term value for our stakeholders."*



MINING PRODUCTION AND DEVELOPMENT

Paladin's owner team, alongside our EPCM partner ADP, continue to progress and execute activities focused on returning the Langer Heinrich Mine to production. The project is on track and on budget (US\$118M) for first production in Q1 CY2024.

The Restart Project site works remain focused on general Repairs and Refurbishment activities to return the existing process plant to operational readiness. In parallel, ADP continues to provide engineering and procurement services for the delivery of the Growth Projects process upgrades to increase throughput capacity and operational availability.

At the time of this report the project is estimated to be approximately 40% complete.

The project progressed the following activities over the quarter:

- Significant ramp-up of site manning and construction works for all disciplines, across civil, structural mechanical piping, corrosion protection and electrical, control & instrumentation. Current contractor workforce of over 600 personnel on site
- Completion of strategic equipment removal to facilitate the Growth Projects scope execution
- Concrete repairs, pump refurbishments and statutory electrical upgrade programmes
- Completion of Hydrosort classifier fabrication and shipped from Europe
- Award of the Growth Projects steel fabrication contract and commencement of activities, which includes the fabrication of all structural steel, plate work and tanks
- Commencement of civil construction of Growth Projects tanks and steel structure foundations
- Execution of the contract for an automated and dustless drumming plant with Ionic Mechatronics, after completion of front-end engineering and design. Ionic Mechatronics are a leading industry supplier of uranium drumming machines and bespoke industrial automation solutions to the mining industry
- Commencement of early commissioning planning and recruitment of the Project Commissioning Manager.

Activities for the next quarter will focus on:

- Delivery of critical construction materials, plant and equipment to site, including the Hydrosort classifier, agitators, thickeners, cyclones, structural steel, prefabricated tanks and tank strakes
- Final acceptance testing on the Final Product Recovery centrifuges and drying kiln prior to shipping
- Mobilisation of the Project Commissioning Manager
- Initial deliveries of the ion-exchange resin, required for the uranium extraction process
- Consistent execution of site contractor activities across all disciplines.

EXPLORATION

During the quarter, the Company continued the analysis of data collected from the exploration program conducted at Michelin in Labrador, Canada. This analysis will assist in deriving a new exploration model designed to generate new drill targets for future exploration drilling programs.

The sales process under the Michelin Joint Venture Agreement has commenced as required under the Joint Venture Agreement (if the 52 week average of the uranium price is US\$40/lb or more, the joint



venture must use its best efforts to procure the sale of the entire project to a third party). Paladin has the right, acting reasonably, to determine if any offer made under any sales process is acceptable. Paladin also has a right of pre-emption to acquire the minority shareholder's interest in the joint venture.

Paladin met all tenement expenditure commitments during the quarter, at a minimum cost. The Company remains engaged on an ongoing basis with local communities, government and native title holders, and continues to explore value enhancement opportunities across the Company's broader asset and exploration portfolio.

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

URANIUM MARKETING

Paladin is continuing to engage with top-tier industry counterparties, via RFP processes and off-market discussions as the Company seeks to layer industry leading offtake agreements ahead of production.

The Company has five uranium offtake agreements with leading counterparties in the USA, Asia and Europe. Paladin has finalised contract negotiations on the final outstanding tender award and expects the offtake agreement to be executed during the current quarter.

Paladin has a stated strategy to secure contracts ahead of production. These contracts range in duration and pricing, and provide base-escalated, fixed-price and market-related pricing mechanisms. Along with the market-related contract in place with CNNC, Paladin will retain significant upside exposure to the strengthening uranium market fundamentals.

The Company has commenced commercial negotiations with conversion facilities and shipping companies ahead of the Company's return to production.

CORPORATE

Mr Paul Hemburrow commenced as the Company's Chief Operating Officer during the quarter. Paul has a proven track record of exceptional operations leadership over his 25 year career, across a variety of commodities and major companies, including BHP and Rio Tinto.

Dr Jon Hronsky was appointed as independent non-executive director of the Company effective 20 March 2023. Dr Hronsky has more than 35 years of experience in the global mineral exploration industry, primarily focused on project generation, technical innovation and exploration strategy development across a diverse range of commodities and geographies.

The Company received US\$3M in funds and A\$3M of shares from Lotus Resources Limited during the quarter being the final repayment of the environmental bond and further consideration from the Company's sale of the Kayelekera mine in 2020. An A\$5M production royalty from Lotus remains outstanding.



Cash and Expenditure

Paladin held cash and cash equivalents at 31 March 2023 of US\$147.2M (excluding restricted cash of US\$1M), with no corporate debt.

The Company's cash expenditure for the quarter was US\$18.7M. The Company will maintain its corporate spending discipline, whilst restart activities at the Langer Heinrich Mine progress and to support operational readiness and uranium marketing.

Cash expenditure during the quarter is detailed in the following table:

Cash Expenditure	US\$M
Langer Heinrich Mine Operations	(2.4)
Langer Heinrich Mine Restart Project	(14.5)
Exploration	(0.5)
Corporate Costs	(1.3)
Total Cash Expenditure	(18.7)
Other Net Proceeds	4.2
Foreign Exchange Movement	(1.6)
TOTAL CASH MOVEMENT	(16.1)

Related Party Payments

Payments of US\$113,730 were made to related parties and their associates during the quarter, being the payment of Director's Fees as noted in Section 6 of Appendix 5B.

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

For further information contact:

Ian Purdy

Chief Executive Officer

P: +61 8 9423 8117

E: paladin@paladinenergy.com.au



About Paladin

Paladin Energy Ltd (ASX:PDN OTCQX:PALAF) is an Australian listed, independent uranium company with a focus on restarting its globally significant Langer Heinrich Mine, currently progressing to commercial production in CY2024. With a proven operations performance over 10 years, Langer Heinrich is on track for successful, long-life operations delivering real stakeholder value. The mine's future-facing drive includes a robust ESG framework in place to support its accountability-led contribution to decarbonisation.

The Company also owns a large global portfolio of uranium exploration and development assets. As nuclear power remains a leading sustainable source of low-carbon electricity generation, Paladin has a clear role in positive, worldwide change.

Forward-looking statements

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



APPENDIX ONE

TENEMENT INFORMATION REQUIRED BY LISTING RULE 5.3.3

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