



PALADIN

Clean energy. Clear future.

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ASX Announcement
24 April 2024

Quarterly Activities Report **For the period ending 31 March 2024**

Paladin Energy Ltd (**Paladin** or the **Company**) is pleased to provide an update on its activities and cashflow for the quarter ended 31 March 2024.

HIGHLIGHTS

- Commercial uranium concentrate production and drumming were achieved at the Langer Heinrich Mine (LHM) on 30 March 2024, on schedule and within the capital cost estimate of US\$125 million
- Over 2.5 million hours have been worked on the LHM Restart Project without any serious injuries or reportable environmental incidents
- Operational focus at the LHM has now shifted to production ramp-up and building a finished product inventory, ahead of shipments to customers
- Paladin executed a US\$150 million syndicated debt facility to provide capital flexibility as the Company recommences operations at the LHM and progresses its growth options
- Paladin's shareholders approved consolidation of the Company's issued capital on a ten for one basis on 9 April 2024
- Unrestricted cash as at 31 March 2024 of US\$50 million.

Paladin CEO, Ian Purdy said "After a period of nearly six years of care and maintenance, returning the Langer Heinrich Mine to commercial production was an important milestone for Paladin. I would like to thank all our staff and contractors for their hard work and acknowledge the Namibian Government and our local communities in the Erongo region for their continued support.

We remain focused on the ramp up of production and delivering our first shipment to our international customers. With a strong uranium price outlook, a world-class long-life asset, and a strong balance sheet, Paladin remains well positioned to generate strong returns for our stakeholders".

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MINING PRODUCTION AND DEVELOPMENT

The LHM returned to commercial uranium production on 30 March 2024, on schedule and within the capital cost estimate of US\$125 million.

Following the commencement of commercial production at the LHM, the Operations focus at the LHM has now shifted to production ramp-up and building a finished product inventory, ahead of shipments to customers. As part of the transition to production, Paladin's Chief Operating Officer, Paul Hemburrow has assumed responsibility for all LHM activities.

The Restart Project commencing in July 2022 has focused on the Repair & Refurbishment and debottlenecking of the existing LHM plant which was placed into Care & Maintenance in 2018.

The key Repair & Refurbishment work streams delivered to return the LHM to production include:

- Civil/structural improvement works (concrete, steel)
- Mechanical refurbishment works (pumps, pulleys, conveyors, ancillaries)
- Piping & valve refurbishment and replacement works (pipes, valves, racks, mounts)
- Electrical improvement works (uninterrupted power supply units, lighting, plant electricals)
- Control & Instrumentation refurbishment works (repairs, replacement, calibration and re-commissioning of all instruments)

Debottlenecking upgrades, delivered to derisk production and increase throughput capacity and operational availability of the plant whilst improving environmental and sustainability aspects of the plant and operations, include the following work streams:

- Automated, dustless drumming Final Product Recovery (FPR) plant
- Control system upgrade
- Addition of leach feed surge tanks
- Tailings dewatering upgrade
- ROM bin upgrades
- Primary classification cyclone upgrade
- Pre-leach and CCD feed well upgrade
- Product thickener improvements
- NamWater infrastructure upgrade
- NamPower infrastructure upgrade

The remaining Restart Project activities are now focused on closing out completion tasks and contractor demobilisation. Paladin will provide guidance on key FY2025 LHM operational parameters in July 2024.

EXPLORATION

Paladin holds a 100% interest in the Michelin Project in Labrador, Canada. The Michelin Project is an advanced exploration asset which is located in a premier mining jurisdiction. The Company is advancing a review of work programs to determine the preferred approach for progressing development and exploration pathways.



The exploration program undertaken this quarter at Michelin has focused on the development of a new exploration model, with early stage testing of the model undertaken. Historical three dimensional data has been reviewed, which can be used to identify new targets when a pattern of known mineralisation is seen.

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.

Paladin met all tenement expenditure commitments during the quarter and the Company's tenement holdings at the end of the quarter and their locations are detailed in Appendix One.

URANIUM MARKETING

Paladin has a geographically diverse offtake book, with seven offtake agreements executed with top-tier counterparties in the US, Europe and China. These contracts range in type and duration and provide base-escalated, fixed-price and market-related pricing mechanisms. The Company continues to engage with top-tier industry counterparties, via RFP processes and off-market discussions.

Paladin currently has approximately 80%¹ exposure to the uranium spot price through to the end of CY2030. The Company also has flexible shipping arrangements and early payment terms with its largest customer, providing significant delivery flexibility and improved cash flow during the ramp-up of operations at the LHM.

Paladin has executed commercial agreements with all three Western conversion facilities and has secured the necessary shipping arrangements ahead of the Company's first shipment.

CORPORATE

During the quarter Paladin executed a US\$150 million syndicated debt facility (Debt Facility), of which US\$25M has been drawn down during March. The establishment of the Debt Facility during the quarter marked the successful completion of an international syndication process, including LHM site visits by independent technical and environmental experts and corporate due diligence by financier teams. Paladin is pleased to have established the Debt Facility with two lending financial institutions, Nedbank Limited, acting through its Corporate and Investment Banking division (Nedbank CIB) and Macquarie Bank Limited, with Nedbank CIB acting as lead arranger and bookrunner.

On 9 April 2024, shareholders of the Company approved consolidation of the Company's issued capital on a ten for one basis. The consolidation was undertaken to reduce Paladin's shares on issue to a level that better reflects the Company's position as an ASX 200 company and provide a share price more appealing to a wide range of international investors.

¹ Based on Langer Heinrich Uranium Life of Mine production to CY2030, as detailed in the ASX Announcement "Langer Heinrich Mine Restart Plan Update, Mineral Resource and Ore Reserve Update" dated 4 November 2021. All material assumptions underpinning the production target continue to apply and have not materially changed. Based on nominal contract volumes of executed offtake agreements. Assumes CNNC takes 25% of production post 2025 (Life of Mine offtake).



Cash and Expenditure

As at 31 March 2024, Paladin held cash and cash equivalents of US\$50 million (excluding restricted cash of US\$2.9 million). The US\$150M Debt Facility was drawn down during the quarter with US\$125 million of remaining debt capacity.

The Company's net cash expenditure for the quarter was US\$29.9 million.

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

Cash Expenditure	US\$ million
LHM Operations ⁽¹⁾⁽²⁾	(10.9)
LHM Restart Project	(17.1)
Exploration	(2.2)
Corporate Costs ⁽²⁾	0.3
Total Cash Expenditure	(29.9)
Debt Drawdown	25.0
Other Net Proceeds ⁽³⁾	(3.7)
Foreign Exchange Movement	(3.1)
TOTAL CASH MOVEMENT	(11.7)

⁽¹⁾ Includes Pre-Production Costs incurred prior to the declaration of commercial production including commissioning costs

⁽²⁾ Includes reallocation of Staff costs to LHM Operations and LHM Restart Project for the period July to December 2023

⁽³⁾ Other Net Proceeds includes financing costs, interest expense and interest received

Related Party Payments

Payments of US\$172,797 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.

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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 information is provided as at 31 March 2024.

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
025621M	NL, Canada	100%	No change
025675M	NL, Canada	100%	No change
025676M	NL, Canada	100%	No change
025681M	NL, Canada	100%	No change
035936M	NL, Canada	100%	No change
035937M	NL, Canada	100%	No change
035938M	NL, Canada	100%	No change
035939M	NL, Canada	100%	No change
035940M	NL, Canada	100%	No change
035941M	NL, Canada	100%	No change
035942M	NL, Canada	100%	No change
035943M	NL, Canada	100%	No change
035944M	NL, Canada	100%	No change



035945M	NL, Canada	100%	No change
035946M	NL, Canada	100%	No change
035947M	NL, Canada	100%	No change
035948M	NL, Canada	100%	No change
035949M	NL, Canada	100%	No change
035950M	NL, Canada	100%	No change
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