



PALADIN RESOURCES LTD

A.C.N. 061 681 098

GRAND CENTRAL 1ST FLOOR, 26 RAILWAY ROAD
SUBIACO WESTERN AUSTRALIA 6008
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Ref:70845

4 October 2007

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

Dear Sir/Madam

Notice of Annual General Meeting to Shareholders

Attached, please find Notice of Annual General Meeting and Proxy Form in respect of the meeting to be held on 21 November 2007 at 3:00pm.

Yours faithfully
Paladin Resources Ltd

GILLIAN SWABY
Company Secretary

For personal use only



PALADIN RESOURCES LTD

ACN 061 681 098

NOTICE OF ANNUAL GENERAL MEETING

PROXY FORM

AND

MANAGEMENT INFORMATION CIRCULAR

Date of Meeting

21 November 2007

Time of Meeting

3:00pm

Place of Meeting

Perie Banou Room,
Royal Perth Yacht Club
Australia II Drive
Crawley, Western Australia, 6009

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**PALADIN RESOURCES LTD
ACN 061 681 098**

NOTICE OF ANNUAL GENERAL MEETING

TO THE HOLDERS OF ORDINARY SHARES OF PALADIN RESOURCES LTD:

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of Paladin Resources Ltd ("**Company**") will be held in the Perie Banou Room, at The Royal Perth Yacht Club, Crawley, Western Australia on 21 November 2007 at 3:00pm WST for the purpose of transacting the following business.

AGENDA

BUSINESS

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of Meeting.

1.1 FINANCIAL REPORT

To receive the financial report for the year ended 30 June 2007, and the Directors' and Auditors' Reports thereon.

Resolution 1 – Remuneration Report

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"To adopt the Remuneration Report for the year ended 30 June 2007."

Note: The vote on this resolution is advisory only and does not bind the Directors of the Company.

Resolution 2 – Election of Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr Rick Crabb be re-elected as a Director".

Resolution 3 – Election of Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr Ian Urquhart Noble be re-elected as a Director".

Resolution 4 – Election of Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr Donald Myron Shumka be elected as a Director".

Resolution 5 – Directors’ Fees

To consider and, if thought fit, to approve the following resolution as an **ordinary resolution**:

“That the total pool of fees payable to directors be increased from A\$500,000 to A\$900,000.”

Voting Exclusions

The Company will in accordance with Listing Rule 10.17 ASX, disregard any votes cast on Resolution 5 by a director of the Company, and an associate of the director. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6 – Amendments to the Constitution

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That pursuant to section 136 of the Corporations Act, the Company's Constitution be amended as set out in Annexure A to the Explanatory Memorandum accompanying this Notice of Meeting.”

Resolution 7 – Change of Company Name to “Paladin Energy Ltd”

To consider and, if thought fit, to approve the following resolution as a **special resolution**:

“That the name of the Company be changed to Paladin Energy Ltd”.

NB. Special resolutions require the approval of at least 75% of votes of those members of the Company at the meeting in person or by proxy.

For the purpose of Resolutions 1 to 7:

"Company" means Paladin Resources Ltd ACN 061 681 098;

"Constitution" means the constitution of the Company, as amended from time to time;

"Corporations Act" means the Corporations Act 2001 (Cth); and

"Director" means a director of the Company.

Other business

To deal with any other business which may be brought forward in accordance with the Company's Constitution and the Corporations Act 2001 (Cth).

By order of the Board



Gill Swaby
Secretary

Dated: 26 September 2007

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PROXIES

A shareholder entitled to attend and vote at the above Annual General Meeting of shareholders may appoint not more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. A proxy may, but need not be, a shareholder of the Company. Proxy forms must reach the Registered Office of the Company at least 48 hours prior to the Annual General Meeting.

ENTITLEMENT TO VOTE AND RECORD DATE

Australian Share Register

For the purposes of regulation 7.11.37 of the Corporations Regulations, the Company determines that members holding ordinary shares at 5:00pm Perth time on 19 November 2007 will be entitled to attend and vote at the Annual General Meeting.

Canadian Share Register

For the purposes of section 2.1 of Canadian National Instrument 54-101 the directors have fixed the record date for voting at the Annual General Meeting as 5:00pm Perth time on 15 October 2007 and the record date for notice of the Annual General Meeting as 5:00pm Perth time on 15 October 2007.

If you cannot attend the Meeting in person, you are encouraged to date, sign and deliver the accompanying proxy and return it prior to 3:00pm Perth time on 19 November 2007. Information in relation to proxy voting is set out in the following documentation.

DATED at Perth, Western Australia, on 26 September 2007.

MANAGEMENT INFORMATION CIRCULAR

26 September 2007

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of **PALADIN RESOURCES LTD** (the "Company") for use at the Annual General Meeting of the Company (the "Meeting") to be held on 21 November 2007, and any adjournments thereof, at the time and place and for the purposes set forth in the accompanying Notice of Annual General Meeting.

VOTING BY PROXIES

This section headed "Voting by Proxies" only applies to registered holders (a "Shareholder") of Ordinary shares of the Company ("Ordinary Shares").

The form of proxy accompanying this Information Circular confers discretionary authority upon the proxy nominee with respect to any amendments or variations to the matters identified in the Notice of Annual General Meeting and any other matters that may properly come before the Meeting. On any ballot, the Ordinary Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder as specified in the proxy with respect to any matter to be acted on. **If a choice is not specified with respect to any matter, the Ordinary Shares represented by a proxy given to management are intended to be voted in favour of the resolutions contemplated herein. A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act for the Shareholder and on the Shareholder's behalf at the Meeting other than the persons designated in the form of proxy and may exercise such right by inserting the name in full of the desired person in the blank space provided in the form of proxy.** Proxies must be delivered prior to 3:00pm Perth time on 19 November 2007 to either of the following:

Computershare Investor Services Pty Limited

GPO Box D182

PERTH WA 6840 AUSTRALIA

Telephone:

Australia: 1300 85 05 05

Overseas: +61 (0) 3 9415 4000

Or Facsimile:

Australia: 08 9323 2033

Overseas: +61 8 9323 2033

Computershare Investor Service Inc

Attention: Proxy General

100 University Avenue

9th Floor

TORONTO, ON M5J 2Y1 CANADA

Telephone: 1-800-564-6253/514-982-7555

Or Facsimile: 1 866 249 7775

Management of the Company are not aware of any amendments to the matters to be presented for action at the Meeting or of any other matters to be presented for action at the Meeting.

ADVICE TO BENEFICIAL HOLDERS OF SHARES

The information set forth in this section is of significant importance to persons who beneficially own Ordinary Shares, as a substantial number of such persons do not hold Ordinary Shares in their own name. Persons who hold Ordinary Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold such securities in their own name (referred to in this section as “Beneficial Holders”) should note that only proxies deposited by persons whose names appear on the records of the Company may be recognized and acted upon at the Meeting. If Ordinary Shares are listed in an account statement provided to a Beneficial Holder by a broker, then in almost all cases those Ordinary Shares will not be registered in the Beneficial Holder’s name on the records of the Company. Such Ordinary Shares will more likely be registered under the names of the broker or an agent of that broker. In Canada, the vast majority of shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Ordinary Shares held by brokers, agents or nominees can only be voted (for or against resolutions) upon the written instructions of the Beneficial Holder.

Without specific instructions, brokers, agents and nominees are prohibited from voting securities for their clients. **Therefore, Beneficial Holders should ensure that instructions respecting the voting of their Ordinary Shares are communicated to the appropriate person by the appropriate time.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Holders in advance of shareholders’ meetings. Each intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Holders to ensure that their Ordinary Shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form supplied to a Beneficial Holder by its broker, agent or nominee is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Holder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Independent Investor Communications Company (“IICC”). IICC typically supplies a voting instruction form, mails those forms to the Beneficial Holders and asks Beneficial Holders to return the forms to IICC or follow specified telephone voting procedures. IICC then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Ordinary Shares to be represented at the appropriate Meeting. **A Beneficial Holder receiving a voting instruction form from IICC cannot use that form to vote Ordinary Shares directly at the Meeting - the voting instruction forms must be returned to IICC or the telephone procedures completed well in advance of the Meeting in order to have such shares voted.**

Although Beneficial Holders may not be recognized directly at the Meeting for the purpose of voting shares registered in the name of their broker, agent or nominee, a Beneficial Holder may attend at the Meeting as proxy holder for the Shareholder and vote the Ordinary Shares, as the case may be, in that capacity. Beneficial Holders who wish to attend at the Meeting and indirectly vote their Ordinary Shares, as the case may be, as proxy holder for the registered Shareholder, should enter their own names in the blank space on the form of proxy or voting instruction form provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

REVOCATION OF PROXIES

A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of the Australian *Corporations Act*, which provides that every proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing and delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

A proxy is valid only in respect of the Meeting.

PERSONS MAKING THE SOLICITATION

This solicitation of proxies is made by management of the Company. The cost of the solicitation has been and will be borne by the Company.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As of 26 September 2007, the issued and outstanding capital of the Company consists of 602,687,369 Ordinary Shares. Subject to certain exclusions of votes contemplated below, each Ordinary Share is entitled to be voted at the Meeting. On a ballot, each Ordinary Share is entitled to one vote.

Australian Share Register

For the purposes of regulation 7.11.37 of the Corporations Regulations, the Company determines that members holding ordinary shares at 5:00pm Perth time on 19 November 2007 will be entitled to attend and vote at the Annual General Meeting.

Canadian Share Register

For the purposes of section 2.1 of Canadian National Instrument 54-101 the directors have fixed the record date for voting at the Annual General Meeting as 5:00pm Perth time on 15 October 2007 and the record date for notice of the Annual General Meeting as 5:00pm Perth time on 15 October 2007.

A simple majority of votes cast are required to approve all **ordinary resolutions** to be submitted to a vote of Shareholders at the Meeting.

Special resolutions require the approval of at least 75% of votes of those members of the Company at the meeting in person or by proxy.

PARTICULARS OF MATTERS TO BE ACTED ON

The following information is intended to provide shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting ("**Notice**") of the Company.

The Directors of the Company ("**Directors**") recommend shareholders read this in full before making any decision in relation to the resolutions, in accordance with Section 250R of the Corporations Act 2001(Cth).

Annual Accounts

Appropriate time will be devoted to the consideration of the Financial Statements and Reports of the Company for the year ended 30 June 2007.

ORDINARY RESOLUTIONS

Resolution 1 – Remuneration Report

The Board is voluntarily submitting its Remuneration Report to shareholders for consideration and adoption by way of a non-binding resolution.

The Remuneration Report forms part of the Directors' Report included in the 2007 Annual Report. The Report:

- Explains the Board's policy for determining the nature and amount of remuneration of executive Directors and senior executives of the Company;
- Explains the relationship between the Board's remuneration policy and the Company's performance;
- Sets out remuneration details for each Director and the most highly remunerated senior executives of the Company; and
- Details and explains any performance conditions applicable to the remuneration of executive Directors and senior executives of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

The vote on the adoption of the Remuneration Report resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Resolutions 2 and 3 – Election of Directors

The Company's Constitution provides that at each Annual General Meeting one-third of the Directors or, if their number is not a multiple of three, then the number nearest to but not more than one-third of the Directors must retire from office. Messrs Crabb and Noble, therefore, retire from office in accordance with this requirement and submit themselves for re-election.

Resolution 4 – Election of Director

On 9th July 2007, the Board appointed Mr Donald Myron Shumka as a Director to fill the vacancy created by the retirement of Mr George Edward Pirie on 9th July 2007.

Mr Shumka is Vancouver based and is the President and Managing Director of Walden Management Ltd., a consulting firm specializing in natural resources. From 1989 to 2004, he was Managing Director, Investment Banking with CIBC World Markets and Raymond James Ltd. Prior to 1989, Mr. Shumka was Vice President, Finance and Chief Financial Officer of West Fraser Timber Co. Ltd., one of Canada's largest forest products companies. He holds a Bachelor of Arts Degree in Economics from the University of British Columbia and a Master of Business Administration Degree from Harvard University.

He currently sits on the boards of Eldorado Gold Corporation and Northern Peru Copper Corp.

Mr Shumka's appointment follows the resignation of Mr Pirie who, due to his increasing time commitment as the President and Chief Executive Officer of Breakwater Resources Ltd, no longer had sufficient time available to undertake his duties in his role as a non-executive director of Paladin.

Mr Shumka now seeks election by shareholders in accordance with the Company's Constitution.

Information in respect of each Director seeking election, as well as in respect of John Borshoff, an existing director of the Company, who is not required by the Company's Constitution to retire at this Annual General Meeting, is set out below:

Name and Residence	Position with Paladin	Principal Occupations during preceding 5 years	Shareholding (direct and indirect)	Committee Membership
Rick Wayne Crabb Perth, Australia (due for re-election November 2010)	Chairman (27 March 2003 to present); Non-Executive Director (8 February 1994 to present)	Partner: Blakiston and Crabb (1980 to 2004).	8,964,746	Remuneration (Chair) Nomination (Chair)
Sean Reveille Llewelyn Gold Coast, Australia (due for re-election November 2008)	Non-Executive Director (12 April 2005 to present)	None	Nil	Audit Nomination Remuneration
Ian Urquhart Noble Mullumbimby, NSW, Australia (due for re-election November 2010)	Non-Executive Director (29 June 2005 to present)	Metallurgical Engineering Consultant (1991 to 2005)	16,000	Audit Nomination
Donald Myron Shumka Vancouver, B.C. Canada (due for re-election November 2009)	Non-Executive Director (9 July 2007 to present)	Managing Director: Walden Management Ltd (2004 to present) Managing Director: Investment Banking, Raymond James Ltd (1993 to 2004)	Nil	Audit (Chair) Nomination Remuneration
John Borshoff Perth, Australia (not required to seek re-election)	Managing Director	Managing Director of the Company (24 September 1993 to present)	18,091,394	Nomination

Resolution 5 – Directors' Fees

Shareholder approval is being sought to increase the total pool of fees available from which to pay directors' fees. The quantum is currently set at A\$500,000 per annum, however, given the recent growth of the Company, it is considered that this level needs to be increased. This is necessary to attract and retain directors of a calibre required to effectively guide and monitor the business of the Company.

The Directors' fees have been considered and A\$900,000 has been decided as an appropriate maximum level of Directors' fees. This will also allow for non-executive directors to be remunerated appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates. It should be noted that this

increase in the level of permitted fees does not mean that the Company must pay the entire amount approved as fees in each year.

SPECIAL RESOLUTIONS

Resolution 6 – Amendments to the Constitution

Resolution 6 seeks approval to amend the Company's Constitution as explained below. Full details on the amendments are set out in Annexure A to this Explanatory Memorandum which can be found at the end of this document.

Amendment 1: Clause 12 – Proceedings at General Meetings

It is proposed to insert a new sub-clause 12.20 into the Constitution. The proposed new clause 12.20 will enable registered shareholders to vote directly, as an alternative to appointing a proxy to vote on their behalf, should the Company wish to provide this facility in the future. Direct voting is similar to voting by postal vote in an election.

This amendment will not affect or diminish the right of shareholders to vote by proxy at shareholder meetings. The Company will continue to be obliged under Canadian securities law to send a form of proxy in respect of each meeting to each shareholder who is entitled to notice and, in accordance with Canadian National Instrument 54-101, beneficial shareholders will continue to have the right to demand a proxy from an intermediary who holds securities of the Company on behalf of the beneficial owner.

Amendment 2: Clause 13 – The Directors

It is proposed to replace sub-clause 13.2 Rotation of Directors with sub-clause 13.2 as detailed in Annexure A to this Explanatory Memorandum. The proposed amendment will enable the rotation of directors to take place either no later than three years from the Director's appointment or the third Annual General Meeting following their appointment. This amendment will ensure the rotation of directors is kept constant even when the date of the Annual General Meeting may shift slightly.

Amendment 3: Clause 7 - Transfer of Shares

It is proposed to amend sub-clause 7.2(c) Registration Procedure. The proposed amendment is in response to the Australian Stock Exchange (ASX) proposed amendment to Listing Rule 8.14 – Charging for paper based off market transfers. The ASX currently prohibits a fee being charged for certain activities, including registering paper based transfers on Issuer sponsored registers and the removal of securities between registers (known as 'shunting'). The ASX has now proposed that the prohibition on charging for processing off market transfers and shunts, be removed. This change to the Listing Rules will enable registrars to introduce greater controls to reduce fraud risk.

Resolution 7 – Change of Company Name to “Paladin Energy Ltd”

The Board considers the change of name of the Company to “Paladin Energy Ltd” to be appropriate, as it is consistent with the core activities of the Company.

STATEMENT OF EXECUTIVE COMPENSATION

Summary Compensation Table

The following executive compensation disclosure is provided in respect of the Company's Named Executive Officers (NEOs) for the Company's three most recently completed financial years. NEOs means the following individuals:

- (a) Managing Director;
- (b) Chief Financial Officer
- (c) each of the Company's three most highly compensated executive officers, other than the MD and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000; and
- (d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year-end.

NEO Name and Principal Position (a)	Year (b)	Annual Compensation				Long-Term Compensation
		Salary (A\$) (c)	Bonus (A\$) (d)	Other Annual Compensation (A\$) (e)		Securities Under Options Granted # (f)
				Super-annuation	Other	
John Borshoff (Managing Director)	June 2007	987,864	600,000	12,686	-	1,500,000
	June 2006	488,415	200,000	11,585	-	-
	June 2005	64,736	-	5,826	218,184 ⁴	3,750,000
Ron Chamberlain ¹ (Chief Financial Officer)	June 2007	212,069	20,000	12,594	-	35,700
	June 2006	162,500	-	11,585	-	200,000
	June 2005	81,667	-	7,350	-	800,000
Garnet Halliday ¹ (deceased) (Executive General Manager, Operations and Development)	June 2007	354,855	150,000	9,423	178,347 ⁵	-
	June 2006	459,625	-	11,585	-	-
	June 2005	226,576	-	6,758	-	3,000,000
Wyatt Buck ² (General Manager – Langer Heinrich Operations)	June 2007	314,816	30,000	-	-	150,000
	June 2006	81,435	-	9,480	-	1,000,000
	June 2005	-	-	-	-	-
James Eggins ³ (Executive General Manager – Sales and Contract Administration)	June 2007	263,656	35,000	12,594	-	100,000
	June 2006	110,000	-	5,792	-	650,000
	June 2005	-	-	-	-	-
Gillian Swaby (Company Secretary)	June 2007	-	50,000	-	302,000 ⁴	75,000
	June 2006	-	-	-	153,000 ⁴	-
	June 2005	-	-	-	70,000 ⁴	2,750,000

¹ Commenced employment 1 December 2004 – Deceased 8 March 2007

² Commenced employment 1 February 2006

³ Commenced employment 1 January 2006

⁴ Consulting fees

⁵ Death benefit payment

Option Grants During the Most Recently Completed Financial Year

The following table discloses individual grants of options to purchase or acquire securities of the Company made during the most recently completed financial year to each of the executive officers named in the Summary Compensation Table.

NEO Name (a)	Securities Under Options Granted # (b)	Percent of Total Options Granted to Employees in Financial Year (c)	Exercise or Base Price (A\$/Security) (d)	Market Value of Securities Underlying Options on the Date of Grant (A\$/Security) (e)	Expiration Date (f)
John Borshoff	1,500,000	33.09%	A\$8.77	A\$8.77	1 February 2012
Ron Chamberlain	35,700	0.79%	A\$8.77	A\$8.77	1 February 2012
Garnet Halliday	Nil	Nil	Nil	Nil	Nil
Wyatt Buck	150,000	3.31%	A\$8.77	A\$8.77	1 February 2012
James Eggins	100,000	2.21%	A\$8.77	A\$8.77	1 February 2012
Gillian Swaby	75,000	1.65%	A\$8.77	A\$8.77	1 February 2012

Aggregated Options Exercised During Most Recently Completed Financial Year and Financial Year-End Option Values

The following table discloses all options exercised during the most recently completed financial year by each Named Executive Officer and the financial year end value of unexercised options on an aggregated basis.

NEO Name (a)	Securities Acquired on Exercise (#) (b)	Aggregate Value Realized (A\$) (c) (refer to (a) below)	Unexercised Options at FY -End (#) Exercisable / Unexercisable (d)	Value of Unexercised in the money Options at FY-End (A\$) Exercisable / Unexercisable (e)
John Borshoff	Nil	n/a	3,750,000 / 1,500,000	A\$27,225,000 / Nil
Ron Chamberlain	300,000 500,000	A\$873,000 A\$3,490,000	Nil / 235,700	Nil / A\$1,092,000
Garnet Halliday	2,000,000 1,000,000	A\$12,240,000 A\$5,870,000	Nil	Nil
Wyatt Buck	Nil	n/a	500,000 / 650,000	A\$2,730,000 / A\$2,730,000
James Eggins	350,000	A\$1,106,000	Nil / 750,000	Nil / A\$3,549,000
Gillian Swaby	Nil	n/a	2,750,000 / 75,000	A\$19,965,000 / Nil

- (a) This value is equal to column (b) times the difference between the market value of the shares underlying the options at the date of exercise or financial year end, respectively, and the exercise price of the options.

Employment Contracts

The Company has entered into employment contracts with each of the Named Executive Officers on the following terms and conditions:-

Mr John Borshoff, *Managing Director*

- Term of agreement – 3 years commencing 1 March 2005 renewable for a further 2 year term subject to agreement.
- Base salary, inclusive of superannuation, A\$600,000 increased to A\$1,400,000 effective 1 January 2007.
- Payment of a benefit on retirement or early termination by the Company, other than for gross misconduct, equal to 2 times base salary for the two years immediately preceding the termination date. This benefit was approved by the Company shareholders on 9 November 2005.

Mr Ron Chamberlain, *Chief Financial Officer*

- Term of agreement – no fixed term.
- Base salary, inclusive of superannuation, of A\$196,585 increased to A\$250,000 effective 1 January 2007.
- No termination benefit is specified in the agreement.

Mr Garnet Halliday, *Executive General Manager – Operations and Development (deceased 8 March 2007)*

- Terms of agreement – no fixed term.
- Base salary, inclusive of superannuation, of A\$400,000 plus 20% expatriate allowance, increased to A\$550,000 plus 20% expatriate allowance effective 1 January 2007.
- No termination benefit is specified in the agreement.

Mr Wyatt Buck, *General Manager – Langer Heinrich Operations*

- Term of agreement – no fixed term.
- Base salary, inclusive of superannuation, of A\$220,000 + 10% expatriate allowance increased to A\$280,000 plus 10% expatriate effective 1 January 2007.
- No termination benefit is specified in the agreement.

Mr James Eggins, *Executive General Manager – Sales and Contract Administration*

- Term of agreement – no fixed term.
- Base salary, inclusive of superannuation, of A\$231,585, increased to A\$320,000 effective 1 January 2007.
- No termination benefit is specified in the agreement.

Ms Gillian Swaby, *Company Secretary*

- No contract for service exists for Ms Gillian Swaby and fees are paid in the ordinary course of business for company secretarial services to a company of which Ms Gillian Swaby is a director and shareholder.

Composition Of The Remuneration Committee

The Remuneration Committee, on behalf of the Board of Directors, monitors compensation of executive officers of the Company. The Remuneration Committee was formed on 1 June 2005 and comprises Rick Crabb (non-executive Chairman), Sean Llewelyn (Independent Director) and George Pirie (Independent Director). George Pirie resigned on 9 July 2007. Donald Shumka was elected a member of the Remuneration Committee on 10 August 2007. The Remuneration Committee periodically reviews the compensation paid to directors and

management based on such factors as time commitment, comparative fees paid by similar companies in the industry and the level of responsibility. During the 2007 financial year, the committee met three times.

The responsibilities and functions of the Remuneration Committee are as follows:

- review the competitiveness of the Company's executive compensation programs to ensure:
 - (a) the attraction and retention of corporate officers;
 - (b) the motivation of corporate officers to achieve the Company's business objectives; and
 - (c) the alignment of the interests of key leadership with the long-term interests of the company's shareholders.
- review trends in management compensation, oversee the development of new compensation plans and, when necessary, approve the revision of existing plans.
- review the performance of executive management.
- review and approve Chairman and Managing Director goals and objectives, evaluate Chairman and Managing Director performance in light of these corporate objectives, and set Chairman and Managing Director compensation levels consistent with company philosophy.
- approve the salaries, bonus and other compensation for all senior executives, the Committee will recommend appropriate salary, bonus and other compensation to the Board for approval.
- review and approve compensation packages for new corporate officers and termination packages for corporate officers as requested by management.
- review and approve the awards made under any executive officer bonus plan, and provide an appropriate report to the Board.
- review and make recommendations concerning long-term incentive compensation plans, including the use of share options and other equity-based plans. Except as otherwise delegated by the Board, the Committee will act on behalf of the Board as the Committee established to administer equity-based and employee benefit plans, and as such will discharge any responsibilities imposed on the Committee under those plans, including making and authorising grants, in accordance with the terms of those plans.
- review periodic reports from management on matters relating to the Company's personnel appointments and practices.

Report On Executive Compensation

This report on executive compensation has been prepared by the Remuneration Committee.

The Remuneration Committee, on behalf of the Board of Directors, monitors compensation of Directors and Executives of the Company.

Generally, compensation is provided by the Company to its Executives (including the Managing Director), by way of base salary, short-term bonus, granting of employee options and superannuation. The overall objective is to ensure that remuneration is fair and reasonable and sufficient to attract and retain qualified and experienced Directors and Executives.

The compensation program for the Executives of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective Executives;
- (b) motivating their short and long-term performance; and
- (c) aligning their interests with those of the Company's shareholders.

In line with Corporate Governance principles, Non-executive Directors are remunerated solely by way of fees and statutory superannuation. The total pool of fees available is set by shareholders in general meeting.

Given the evolving nature of the Company's business, the Remuneration Committee continues to review and redesign the overall compensation plan for all employees so as to continue to address the objectives identified above. During the year, it undertook an extensive review with the assistance of external specialist remuneration consultants to both revise the share option plan and determine parameters for the payment of cash bonuses. The new Executive Share Option Plan, approved by shareholders at the Annual General Meeting held in November 2006, is designed to increase the motivation of key staff and create a stronger link between increasing shareholder value and employee reward.

Directors' Fees

At the 2006 Annual General Meeting, shareholders approved an increase in the total pool of fees available to be paid to Non-executive Directors to A\$500,000. Given the growth of the Company such an increase was considered necessary to attract and retain directors of a calibre required to effectively guide and monitor the business of the Company and to remunerate them appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates.

It is proposed that the total pool be increased to A\$900,000 as set out in Resolution 5 of the 2007 Notice of Annual General Meeting.

Fees payable to Non-executive Directors are set at A\$105,000 per annum each, effective 1 January 2007, inclusive of any superannuation obligations. Exceptions to this fee structure are the Chairman of the Audit Committee who receives an additional A\$5,000 per annum, and the Chairman of the Board who receives an additional A\$70,000 per annum. The increased fees were arrived at on the basis of a review by external independent remuneration consultants looking at companies with similar market capitalisation.

In addition, the Company'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 the Company or the business of the Company. The Directors 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 above.

Remuneration paid to Non-executive Directors during the year ended 30 June 2007 comprised the following:-

Name and Principal Position	Fees (A\$)	Superannuation (A\$)
Rick Crabb (Non-Executive Chairman)	174,302	12,686
Sean Llewelyn (Non-Executive Director)	94,920	8,542
George Pirie (Non-Executive Director)	109,023	-
Ian Noble (Non-Executive Director)	94,920	8,542

Note: there were no additional fees paid during the year to any Director for consulting services.

Compensation of the Managing Director

The compensation of the Managing Director is approved annually by the Board of Directors. Base cash compensation levels are based on market survey data. Compensation also includes participation in the Company's stock option plan. Compensation paid to the Managing Director is set out in the Summary Compensation Table.

Base Salary

The first step to attracting and retaining talented, qualified and effective Executives is paying base salaries which are competitive in the markets in which the Company operates. Competitive salary information on companies of a comparable size in the resource industry is compiled from a variety of sources, including surveys conducted by independent consultants and national and international publications. In addition, external remuneration consultants are involved in the process of salary determination.

Expatriate Benefits

Executives who are required to fulfil their responsibilities as an expatriate receive benefits which may include health insurance, housing and car allowances, educational fees and tax advisory services.

Short-term Bonus

The Company provides short-term bonuses to Executives of up to 20% of base salary. The short-term bonuses are based on achieving the following measures where these are applicable to the specific Executive:

- (a) production performance;
- (b) project development performance;
- (c) additional uranium resources delineated;
- (d) performance of the Company in meeting its various other objectives;

- (e) financial performance of the Company; and
(f) such other matters determined by the Remuneration Committee in its discretion.

In respect of the Managing Director, a bonus of up to 100% of base salary can be achieved, to be determined by the Remuneration Committee having consideration to outcomes achieved during the year.

Outcomes to be considered include:

- acceptable safety and environmental performance by the Group;
- Langer Heinrich commissioning, ramp up and production;
- completion of the Kayelekera Bankable Feasibility Study;
- increases in uranium resource under Company control;
- continued successful recruitment of senior personnel;
- increase in market capitalisation;
- acquisition of new projects; and
- achievement of financial budget targets.

The above measures have been selected to align the interests of Executives with shareholders. The Remuneration Committee is responsible for assessing whether the measures are met.

The short-term bonus payments may be adjusted up or down in line with under or over achievement against the measures. This is at the discretion of the Remuneration Committee.

Share-Based Payment Plan

The Company believes that encouraging its key employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's Executive Share Option Plan which was approved by shareholders in November 2006. This replaced the previous plan and the Board believes that grants made under this Plan provide a powerful tool to achieve the following objectives:-

- enable the Company to recruit and retain the talented people needed to achieve the Company's business objectives;
- link the reward of key staff with the achievement of strategic goals and the long-term performance of the Company;
- align the financial interests of Plan participants with those of the shareholders; and
- provide incentives to Plan participants to focus on superior performance that creates shareholder value.

The Board determines the number of options offered to an employee by reference to their base package and the option value, based on the binomial tree method with reference to the following formula:-

$$\text{Number of Options} = \frac{\text{Base Package} \times \text{Stretch LTI}\%}{\text{Option value (based on the binomial tree model)}}$$

The resultant number of options may be adjusted, at the Board's discretion, to deal with any special circumstances or other factors.

"Stretch LTI" refers to the long-term incentive percentage of the Base Package that allows the maximum number of options to vest (i.e. become able to be exercised) if the performance condition is satisfied to the maximum.

The "binomial tree model" for determining the option value is the mathematical model used in accordance with the International Accounting Practice.

By way of example, the stretch LTI is, in the case of the Managing Director, 180%; and senior executives 100%.

Further information on the Option Plan is set out below. During the financial year, a number of options were granted to attract high calibre executives, in what continues to be a highly competitive and tight market for human capital. These options granted during the year included specific vesting periods.

The Company's policy prohibits hedging of options granted under share option plans. Prohibited hedging practices include put/call arrangements over "in money" options to hedge against a future drop in share price. The Board considers such hedging to be against the spirit of a share option plan and inconsistent with shareholder objectives.

Executive Share Option Plan (EXSOP)

On 21 November 2006, the EXSOP was approved by shareholders at the Company's Annual General Meeting. The number of shares that may be issued under the EXSOP must not exceed 5% of the total number of shares on issue.

Share options are granted to employees under the EXSOP which is designed to create a stronger link between increasing shareholder value and employee reward. Under the EXSOP, the exercise price of the options is set at the market price of the shares on the date of grant and performance is measured by comparing the Company's Total Shareholder Return ('TSR') (share price appreciation plus dividends reinvested) with a group of peer companies. The Company's performance will be measured over three years from the date of grant. To the extent that maximum performance is not achieved under the performance condition, performance will be retested every six months following the first three years until the end of the fourth year.

In assessing whether the TSR hurdle for each grant has been met, the Group receives independent data from an external advisor, who provides both the Group's TSR growth from the commencement of each grant and that of the pre-selected peer group. The peer group chosen for comparison is the resource companies in the S&P/ASX200 Index at the date of grant. This peer group reflects the Group's competitors for capital and talent.

The Group's performance against the hurdle is determined according to Paladin Resources Limited's ranking against the peer group TSR growth over the performance period.

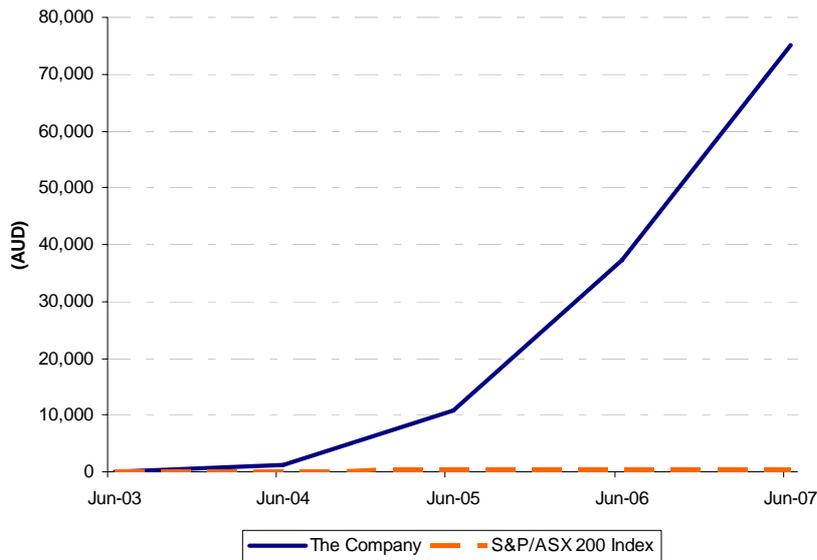
- when Paladin Resources Limited is ranked over the 75th percentile, 100% of the share options will vest;
- for rankings above the 50th and below the 75th percentile, the percentage of options to vest will be pro-rata between 50% and 100%.
- when Paladin Resources Limited is ranked at the 50th percentile, 50% of the share options will vest;
- when Paladin Resources Limited is ranked below the 50th percentile the share options will not vest.

When a participant ceases employment prior to the vesting of their share options, the share options are forfeited unless cessation of employment is due to termination initiated by the Group or death. In the event of a change of control all the awards will vest and may be exercised by the participant.

The contractual life of each option granted is five years. There are no cash settlement alternatives.

Performance Graph

The overall level of compensation takes into account the growth in shareholder wealth of the Company. The chart below compares, assuming an initial investment of \$100, the yearly percentage change in the cumulative total shareholder return on the Company's Ordinary Shares against the cumulative total shareholder return of the S&P/ASX 200 Index for the Company's five most recently completed financial years.



	30 June 2003	30 June 2004	30 June 2005	30 June 2006	30 June 2007
The Company	A\$100	A\$1,227	A\$10,682	A\$37,364	A\$75,091
S&P/ASX 200 Index	A\$100	A\$117	A\$141	A\$168	A\$207

Compensation of Directors

Please refer to the section titled "Report on Executive Compensation" above.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table summarizes relevant information as of 30 June 2007 with respect to compensation plans under which equity securities are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column)
Equity compensation plans approved by security holders	3,133,670	A\$8.77	21,884,318
Equity compensation plans not approved by security holders	16,545,000	A\$2.12	Nil
Total	19,678,670	A\$10.89	21,884,318

APPOINTMENT OF AUDITOR

The Company's auditors are Ernst & Young, and were appointed on 21 June 2005. A resolution confirming the appointment was passed by shareholders at the Annual General Meeting held on 9 November 2005.

INCORPORATING INFORMATION BY REFERENCE

In respect of the disclosure requirement in Canada under National Instrument 58-101 relating to disclosure of corporate governance practices of the Company, the Company has previously made this disclosure in its 2007 Annual Report. As such, the Corporate Governance Statement contained in the 2007 Annual Report is incorporated by reference into this Management Information Circular.

The 2007 Annual Report is filed on www.asx.com.au and under the Company's profile on SEDAR at www.sedar.com. Copies of the 2007 Annual Report will be provided free of charge to shareholders of the Company upon written request of the Company.

AVAILABILITY OF DOCUMENTS

In addition to as otherwise contemplated herein, the Company will provide to any person, upon request to the Company Secretary, one copy of the following documents (i) the comparative financial statements of the Corporation filed with the applicable securities regulatory authorities for the Company's most recently completed year in respect of which such financial statements have been issued, together with the report of the auditors thereon, Management's Discussion and Analysis and any interim financial statements of the Company filed with the applicable securities regulatory authorities subsequent to the filing of the annual financial statements and (ii) the Notice of Meeting and Explanatory Memorandum filed with the applicable securities regulatory authorities in respect of the most recent annual meeting of Shareholders of the Company which involved the election of directors.

Copies of the above documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge by any person or

company who is not a security holder of the Corporation, and who requests a copy of such document. Additionally, copies of publicly filed information concerning the Company can be found at www.asx.com.au or at www.sedar.com.

APPROVAL OF THIS INFORMATION CIRCULAR

The contents and the sending of this Information Circular have been approved by the directors of the Company.

By order of the Board



Gillian Swaby
Company Secretary

For personal use only

GLOSSARY

"**ASIC**" means the Australian Securities and Investments Commission;

"**ASX**" means the Australian Stock Exchange Limited;

"**Board**" means the board of Directors;

"**Company**" or "**Paladin**" means Paladin Resources Ltd ACN 061 681 098;

"**Corporations Act**" means Corporations Act 2001 (Cth);

"**Director**" means a director of the Company;

"**Listing Rules**" means the Listing Rules of ASX;

"**Notice**" means the Notice of Annual General Meeting accompanying this Explanatory Memorandum;

"**Shares**" means fully paid ordinary shares in the Company; and

"**WST**" means Australian Western Standard Time.

**ANNEXURE A TO 2007 PALADIN RESOURCES LTD
NOTICE OF ANNUAL GENERAL MEETING – AMENDMENTS TO CONSTITUTION**

The proposed amendments to the Company's Constitution under Resolution 6 are as follows:

Amendment 1: Insert after sub-clause 12.19 a new sub-clause 12.20 as follows:

12.20 *“The directors may determine that at any general meeting or class meeting, a member who is entitled to attend that meeting is entitled to a direct vote. A ‘direct vote’ includes a vote delivered to the company by post, fax or other electronic means approved by the directors. The directors may specify the form, method and timing of giving a direct vote at a meeting in order for the vote to be valid”.*

Amendment 2: Replace original sub-clause 13.2 with a new sub-clause 31.2 as follows:

13.2 *“Subject to clause 17.4 at every Annual General Meeting of the Company one-third of the Directors (other than alternate Directors and the Managing Director) for the time being, or, if their number is not a multiple of three, then such number as is appropriate to ensure that no Director other than alternate Directors and the Managing Director holds office for a period in excess of three years or later than the third Annual General Meeting following their appointment, shall retire from office. The Directors to retire at an Annual General Meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots. A retiring Director is eligible for re-election.*

Amendment 3: Amend sub-clause 7.2(c) as follows:

7.2(c) *Remove the words “without charge” and replace with “on receipt of the appropriate fee by the Company’s registrar”.*



PALADIN RESOURCES LIMITED
ACN 061 681 098

All correspondence to:
Paladin Resources Ltd
PO Box 201
Subiaco 6904 Western Australia
Telephone +618 9381 4366
Facsimile +618 9381 4978
www.paladinresources.com.au

Mark this box with an 'X' if you have made any changes to your address details (see reverse)

Name: _____

Address: _____

Appointment of Proxy

I/We being a member/s of Paladin Resources Ltd and entitled to attend and vote hereby appoint

the Chairman
Of the Meeting
(mark with an 'X')

OR

Write here the name of the person you are
appointing if this person is **someone other**
than the Chairman of the Meeting

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of Paladin Resources Ltd to be held at the Royal Perth Yacht Club, Australia II Drive, Crawley, Western Australia 6009, on Wednesday, 21 November 2007 at 3:00pm Perth time (Western Standard Time) and at any adjournment of that meeting.

Voting directions to your proxy - please mark

to indicate your directions

Ordinary Business

For Abstain* Against

Item 1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2	Re-election of Director – R Crabb	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Re-election of Director – I Noble	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Election of Director – D Shumka	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5	Directors' Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6	Amendments to the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 7	Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If you do not wish to direct your proxy how to vote, please place a mark in this box.
By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the above resolutions and votes cast by him other than as proxy holder will be disregarded because of that interest.

PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

**Sole Director and
Sole Company Secretary**

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

/ /

HOW TO COMPLETE THE PROXY FORM

1 Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. The Chairman intends to vote in favour of resolutions for which no voting indication has been given.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

6. Lodgement of a Proxy and Deadline for Receipt of Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 19 November 2007 at 3:00pm WST. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged by post, delivery or facsimile to:

The Registered Office of Paladin Resources Ltd

or

Computershare Investor Services Pty Ltd

**Grand Central
1st Floor, 26 Railway Road
Subiaco WA 6008
or PO Box 201
Subiaco WA 6904
or by facsimile to fax number 08 9381 4978**

**Level 2, 45 St George's Terrace
Perth WA 6000
or GPO Box D182
Perth WA 6840
or by facsimile to fax number 08 9323 2033**