



**PALADIN ENERGY LTD**

**ACN 061 681 098**

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**NOTICE OF ANNUAL GENERAL MEETING**

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**Date of Meeting**

Friday, 9 November 2018

**Time of Meeting**

10:30am Perth time

**Place of Meeting**

Boardroom  
CWA Club  
1176 Hay Street  
West Perth, Western Australia, 6005

**PALADIN ENERGY LTD  
ACN 061 681 098**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the members of Paladin Energy Ltd will be held in the Board Room, CWA Club, 1176 Hay Street, West Perth, Western Australia on 9 November 2018 at 10:30am (Perth time) for the purpose of transacting the following business.

**AGENDA**

**BUSINESS**

**Financial Statements and Reports**

To receive and consider the consolidated financial statements of the Company and its controlled entities and the reports of the Directors and auditor for the financial year ended 30 June 2018.

**Resolution 1 – Re-election of Director – Rick Crabb**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That Mr Rick Crabb, who retires in accordance with the Constitution and the Listing Rules and, being eligible, offers himself for re-election, be elected as a Director".*

**Resolution 2 – Re-election of Director – David Riekie**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That Mr David Riekie, who retires in accordance with the Constitution and the Listing Rules and, being eligible, offers himself for re-election, be elected as a Director".*

**Resolution 3 – Renewal of the Company's Proportional Takeover Approval Provisions**

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

*"That, for the purposes of section 648G of the Corporations Act and all other purposes, the Company renews its proportional takeover approval provisions as set out in clause 32 of the Constitution, for a period of three years commencing on the day this resolution is passed."*

**Resolution 4 – Employee Performance Share Rights Plan**

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

*"That, for the purposes of Listing Rule 7.2 (Exception 9(b)), and for all other purposes, Shareholders approve the Employee Plan and the issue of securities under the Employee Plan until 9 November 2021, on the terms and conditions set out in the Explanatory Notes."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- Directors (except directors who are ineligible to participate in any employee incentive scheme); or
- any associate of a director (except associates of directors who are ineligible to participate in any employee incentive scheme).

However, the Company need not disregard a vote if:

- it is cast by a person as a 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 5 – Contractor Performance Share Rights Plan

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

*"That, for the purposes of Listing Rule 7.2 (Exception 9(b)), and for all other purposes, Shareholders approve the Contractor Plan and the issue of securities under the Contractor Plan until 9 November 2021, on the terms and conditions set out in the Explanatory Notes."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- Directors (except directors who are ineligible to participate in any contractor incentive scheme); or
- any associate of a director (except associates of directors who are ineligible to participate in any contractor incentive scheme).

However, the Company need not disregard a vote if:

- it is cast by a person as a 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 - Remuneration Report

To consider and, if thought fit, pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report for the Company (including the Directors' Report) as contained in the Company's Annual Report for the financial year ended 30 June 2018."*

**Note:** The Corporations Act requires this Resolution to be put to a vote. The Resolution is advisory only and does not bind the Directors or the Company. A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

**Voting Prohibition Statement:**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

## Other Business

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

By order of the Board



**Andrea Betti**

Group Company Secretary

Dated: 16 September 2018

**For the purposes of this Notice of Annual General Meeting:**

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"**Associate**" has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the "designated body" for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

"**Board**" means the board of directors of the Company;

"**Chair**" means the chair of the Meeting;

"**Closely Related Party**" of a member of Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act;

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

"**Constitution**" means the Company's constitution;

"**Contractor Plan**" means a performance share rights plan for contractors of the Company known as the "Paladin Energy Ltd Contractor Performance Share Rights Plan";

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

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

"**Directors' Report**" means the directors' report section of the Company's annual financial report for the year ended 30 June 2018;

"**Employee Plan**" means a performance share rights plan for employees (including Directors) of the Company known as the "Paladin Energy Ltd Employee Performance Share Rights Plan";

"**Explanatory Notes**" means the explanatory notes accompanying the Notice;

"**Key Management Personnel**" has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise), or if the Company is part of a consolidated entity, of an entity within the consolidated group;

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

"**Meeting**" means the meeting convened by the Notice;

"**Notice**" or "**Notice of Annual General Meeting**" means this notice of annual general meeting, including the Explanatory Notes;

"**Plans**" or "**Performance Share Rights Plans**" means both the Employee Plan and Contractor Plan, or any one of them, as the context requires;

"**Proxy Form**" means the proxy form accompanying the Notice;

"**Remuneration Report**" means the remuneration report set out in the Directors' Report section of the Company's annual financial report for the year ended 30 June 2018;

"**Shares**" or "**Ordinary Shares**" means fully paid ordinary shares in the capital of the Company;

"**Share Rights**" means performance share rights;

"**Shareholder**" means a holder of Shares; and

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

## **PROXIES**

A Shareholder entitled to attend and vote at the 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.

Proxies must be delivered prior to 10:30am (Perth time) on Wednesday, 7 November 2018 to:

### **AUSTRALIA**

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
VICTORIA 3001 AUSTRALIA

Or Facsimile:  
Australia: 1800 783 447  
Overseas: +61 3 9473 2555

Shareholders can also submit their proxy voting instructions online at [www.investorvote.com.au](http://www.investorvote.com.au).

## **UNDIRECTED PROXIES**

If a Shareholder entitled to vote appoints the Chair as their proxy and the Shareholder does not direct the Chair how to vote on resolution 6 (Remuneration Report), the Shareholder may authorise the Chair in respect of those resolutions to exercise the proxy notwithstanding those resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Further details are contained in the Proxy Form.

Where the Chair is appointed as proxy for a Shareholder entitled to vote, the Chair will (where authorised) vote all undirected proxies IN FAVOUR of all of the proposed resolutions to be considered at the Meeting. Accordingly, if you appoint the Chair as your proxy and wish to vote differently to how the Chair intends to vote on any of the resolutions, you must mark "For", "Against" or "Abstain" on the Proxy Form for the relevant resolution.

## **ENTITLEMENT TO VOTE**

For the purposes of regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Company determines that members holding Shares at 10:30am (Perth time) on Wednesday, 7 November 2018 will be entitled to attend and vote at the Annual General Meeting.

If you cannot attend the meeting in person, you are encouraged to date, sign and deliver the accompanying proxy and return it in accordance with the instructions set out above under the heading 'Proxies'.

## **REVOCAION OF PROXIES**

A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of the 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 authorised 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 or postponement thereof at which the proxy is to be used, or to the Chair on the day of the Meeting or any adjournment or postponement thereof, or in any other manner permitted by law.

A proxy is valid only in respect of the Meeting.

## **BODY CORPORATE REPRESENTATIVES**

A body corporate member or proxy may elect to appoint a representative, rather than appoint a proxy, in accordance with section 250D of the Corporations Act. Where a body corporate appoints a representative, the Company requires written proof of the representative's appointment to be lodged with, or presented to, the Company before the Meeting.

## **CUSTODIANS AND NOMINEES**

Custodians and nominees are able to vote online and receive confirmation of their votes by accessing this website: [www.intermediaryonline.com](http://www.intermediaryonline.com). This website allows intermediaries to choose whether to cast a direct vote or lodge a proxy vote.

## **RESOLUTIONS**

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

75% of votes cast are required to approve all special resolutions to be submitted to Shareholders at the Meeting.

## EXPLANATORY NOTES

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.

The Directors recommend that Shareholders read the Explanatory Notes in full before making any decision in relation to the resolutions.

### FINANCIAL STATEMENTS AND REPORTS

The consolidated financial statements of the Company and its controlled entities and the reports of the Directors and auditor for the financial year ended 30 June 2018 will be presented for consideration.

### ORDINARY RESOLUTIONS

#### Resolution 1 – Re-election of Director – Rick Crabb

The Constitution provides that at each Annual General Meeting one-third of the Directors or, if their number is not a multiple of three, then such number as is appropriate shall retire from office to ensure that no Director holds office for a period in excess of three years or later than the third Annual General Meeting following the Director's appointment. Mr Crabb therefore retires from office in accordance with this requirement and submits himself for re-election.

#### Mr Rick Crabb B. Juris (Hons), LLB, MBA, FAICD age 61

*Term in office:* Joined the Board in February 1994 and appointed Chairman in March 2003

*Independent:* Yes

*Skills and experience:* Mr Crabb holds degrees of Bachelor of Jurisprudence (Honours), Bachelor of Laws and Master of Business Administration from the University of Western Australia. He practised as a solicitor from 1980 to 2004 specialising in mining, corporate and commercial law and advised in relation to numerous project developments in Australia and Africa. Mr Crabb now focuses on his public company directorships and investments. He has been involved as a director and strategic shareholder in a number of successful public companies. He is also a non-executive chairman of Eagle Mountain Mining Limited (since September 2017) and non-executive director of Thundelarra Limited (since November 2017) and was non-executive chairman of Otto Energy Ltd (from November 2004 to November 2015), Golden Rim Resources Ltd (from August 2001 to November 2017) and Lepidico Ltd (formerly Platypus Minerals Ltd) (from September 1999 to October 2015). Mr Crabb was a councillor on the Western Australian Division of the Australian Institute of Company Directors from 2008 to 2017.

Mr. Crabb was appointed to the Paladin Board on 8 February 1994 and as Chairman on 27 March 2003.

#### *Special Responsibilities*

Chairman of the Board

Chairman of Remuneration Committee from 1 February 2018 (member from 1 June 2005)

Chairman of Nomination and Governance Committee from 1 February 2018 (member from 1 June 2005)

Member of Sustainability Committee from 25 November 2010

The Board (other than Mr Crabb because of his interest) recommends that Shareholders vote in favour of Mr Crabb's re-election.

#### Resolution 2 - Re-election of Director – David Riekie

The Constitution provides that at each Annual General Meeting one-third of the Directors or, if their number is not a multiple of three, then such number as is appropriate shall retire from office to ensure that no Director holds office for a period in excess of three years or later than the third Annual General Meeting following the Director's appointment. Mr Riekie therefore retires from office in accordance with this requirement and submits himself for re-election.

**Mr David Riekie B. Econ. Dip Acc. CA, MAICD age 56**

*Term in office:* Joined the Board on 1 February 2018

*Independent:* Yes

*Skills and experience:* David Riekie is an experienced ASX director at both the Executive and Non-Executive levels. He has operated in a variety of countries globally and throughout Africa; notably Namibia and Tanzania. He has throughout his career provided corporate, strategic and compliance services to a variety of organisations operating in the Resource and Industrial sector, usually enterprises seeking expansion capital and listing on ASX. He has been directly responsible for successful capital raising, stakeholder engagement, acquisition and divestment programs. Additional experience was gained during his time as a corporate reconstruction specialist with Price Waterhouse. He has overseen, exploration and resource development, scoping and feasibility studies, production, optimisation and rehabilitation initiatives. He has special interest in the energy and energy storage sector, primarily through energy storage minerals and commodities with specific knowledge of uranium (Uranio Limited), oil and gas (Hawkley Oil and Gas), graphite (Battery Minerals Limited) and cobalt/Lithium (MetalsTech Limited). He was previously Managing Director of junior explorer MetalsTech Limited from 1 April to 7 September 2018.

*Special Responsibilities*

Chairman of Audit and Risk Committee from 1 February 2018

Member of Remuneration Committee from 1 February 2018

Member of Nomination and Governance Committee from 1 February 2018

The Board (other than Mr Riekie because of his interest) recommends that Shareholders vote in favour of Mr Riekie's election.

**Resolution 3 – Renewal of the Company's Proportional Takeover Approval Provisions**

The Constitution currently contains provisions dealing with proportional takeover bids for Shares in accordance with the Corporations Act. The provisions are designed to assist Shareholders to receive proper value for their Shares if a proportional takeover bid is made for the Company. Under the Corporations Act, the provisions must be renewed every three years or they will cease to have effect. The current provisions will automatically cease to have effect after 19 November 2018 unless renewed by the proposed special resolution. If renewed, the proposed proportional takeover provisions will be in exactly the same terms as the existing provisions and will have effect until 9 November 2021. The Corporations Act requires that the following information be provided to Shareholders when they are considering the inclusion of proportional takeover provisions in a constitution.

**Effect**

A proportional takeover bid is one where the offer made to each Shareholder is only for a proportion of that Shareholder's Shares. If a proportional takeover bid is made, the Company must hold a meeting of the shareholders of the class of shares being bid for to consider whether or not to approve the bid. A resolution approving the bid must be voted on before the 14th day before the end of the bid period. The resolution will be passed if more than 50% of votes are cast in favour of the approval. The bidder and its associates are not allowed to vote on the resolution. If no such resolution is voted on by that deadline, a resolution approving the bid is taken to have been passed.

If a resolution to approve the bid is rejected, binding acceptances are required to be rescinded, and all unaccepted offers and offers failing to result in binding contracts are taken to have been withdrawn.

If the bid is approved or taken to have been approved, the transfers resulting from the bid may be registered provided they comply with other provisions of the Corporations Act and the Constitution. The proportional takeover provisions do not apply to full takeover bids.

**Reasons**

Without the proportional takeover approval provisions, a proportional takeover bid may enable control of the Company to pass without Shareholders having the opportunity to sell all their Shares to the bidder. Shareholders may be exposed to the risk of being left as a minority Shareholder of the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for their Shares.

The proposed proportional takeover provisions lessen this risk because they allow Shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

### **No knowledge of any acquisition proposals**

At the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

### **Review of proportional takeover approval provisions**

The Corporations Act requires that members be given a statement which retrospectively examines the advantages and disadvantages, for Directors and members, of the proportional takeover provisions proposed to be renewed. Such a statement follows.

While the proportional takeover approval provisions have been in effect in clause 32 of the Constitution, there have been no takeover bids for the Company, either proportional or otherwise. Accordingly, there are no actual examples against which to review the advantages or disadvantages of the existing proportional takeover provisions (that is, clause 32 of the existing Constitution) for the Directors and members of the Company. The Directors are not aware of any potential takeover bid that was discouraged by clause 32.

### **Potential advantages and disadvantages**

As well as a retrospective review of the provisions proposed to be renewed, the Corporations Act requires that Shareholders be given a statement of the potential future advantages and disadvantages of the provisions. The Directors consider that the proposed renewal of the proportional takeover approval provisions has no potential advantages or potential disadvantages for Directors because they remain free to make a recommendation on whether a proportional takeover bid should be approved.

The potential advantages of the proposed proportional takeover provisions for members are:

- (a) they give Shareholders their say in determining by majority vote whether a proportional takeover bid should proceed;
- (b) they may assist Shareholders in not being locked in as a relatively powerless minority;
- (c) they increase Shareholders' bargaining power and may assist in ensuring that any proportional bid is adequately priced; and
- (d) knowing the view of the majority of Shareholders assists each individual Shareholder in assessing the likely outcome of the proportional takeover bid and whether to approve or reject that offer.

Some potential disadvantages to members of the Company are:

- (a) it is a hurdle and may discourage the making of proportional takeover bids in respect of the Company;
- (b) this hurdle may depress the Share price or deny Shareholders an opportunity of selling their Shares at a premium; and
- (c) it may reduce the likelihood of a proportional takeover being successful.

However, the Directors do not perceive those or any other possible disadvantages as justification for not renewing the proportional takeover provisions for a further three years.

The Board recommends that Shareholders vote in favour of resolution 3.

### **Resolution 4 – Employee Performance Share Rights Plan**

### **Resolution 5 – Contractor Performance Share Rights Plan**

Further to the Listing Rules, Shareholder approval of the Performance Share Rights Plans is required to be renewed every 3 years.

Shareholders last approved the Performance Share Rights Plans at the Company's annual general meeting held on 19 November 2015.

The Plans provide for the issuance of Share Rights which, upon a determination by the Board that the performance conditions attached to the Share Rights have been met and the exercise of the Share Rights, are convertible into Ordinary Shares (or alternatively, eligible participants will receive a Cash Equivalent Value, at the discretion of the Board).

Resolutions 4 and 5 seek the approval of Shareholders of the Plans and for the Company to issue securities under the Plans in accordance with Listing Rule 7.2 (Exception 9(b)).

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.2 (Exception 9(b)) sets out an exception to Listing Rule 7.1 which provides that issues under an employee incentive scheme (which includes the Plans) are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to Listing Rule 7.1.

If resolutions 4 and 5 are passed, the Company will be able to grant Share Rights under the Plans to eligible participants over a period of 3 years from the date of approval without diminishing the Company's 15% annual placement capacity calculated pursuant to Listing Rule 7.1.

Any grants of Share Rights under the Plans to a Director or any associate of a Director will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

Further information about the Plans is set out below. A copy of the full terms and conditions of the Plans can be obtained by contacting the Company Secretary.

### **Participation**

Carefully designed, performance linked, equity plans are widely considered to be very effective in providing long-term incentives to staff. As well, they are used to attract and retain staff by providing them with the opportunity to participate in the creation of a valuable personal asset – a financial stake in the Company.

The Plans have been designed to assist with the attraction, motivation and retention of eligible participants, align the interests of those eligible participants and Shareholders by matching rewards with the long term performance of the Company and, accordingly, continue to drive the Company's improved performance.

As part of the Company's strategy, the Board wishes to be in a position to issue Share Rights under the Employee Plan to employees (including Directors) and under the Contractor Plan to eligible contractors, to achieve the objectives outlined above.

### **Performance Conditions**

The Board is cognisant of general Shareholder concern that long-term equity based reward for staff should be linked to the achievement by the Company of a performance condition. Share Rights granted under the Plans to eligible participants will be subject to performance conditions as determined by the Board from time to time. These performance conditions must be satisfied in order for the Share Rights to vest. Following vesting and subsequent exercise, Ordinary Shares are immediately issuable.

The Employee Plan and the Contractor Plan differ only in respect of the class of individuals who are eligible for participation. The main features of the Plans are summarised as follows:

- **Eligible Participants:** The eligible participants under the Employee Plan are full time employees and permanent part-time employees (including Directors) of the Company and its subsidiaries. The eligible participants under the Contractor Plan are the contractors engaged by the Company and its subsidiaries.
- **Limits on Entitlements and Existing Entitlements:** The Plans have a fixed maximum percentage of Ordinary Shares that are issuable under the Plans. The maximum number of Ordinary Shares that are issuable under each Plan, when combined with (a) the number of Ordinary Shares that are issuable under any other employee incentive scheme of the Company but excluding the Ordinary Shares that are issuable under the other Plan; and (b) the number of Ordinary Shares issued during the previous five years pursuant to the Plans or any other employee incentive scheme of the Company; but disregarding any offer made, or Share Rights acquired or Ordinary Shares issued by way of or as a result of (i) an offer to a person situated at the time of receipt of the offer outside Australia; or (ii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or (iii) an offer made under a disclosure document, must not exceed 5% of the total number of issued Ordinary Shares.

As of the date of this Notice, 1,277,931 Ordinary Shares (being 0.07% of the Company's current issued and outstanding Ordinary Shares) are issuable pursuant to entitlements granted under the employee incentive schemes of the Company which are currently in force. In the previous five years the Company has issued 3,574,208 ordinary shares pursuant to the Plans or other employee incentive schemes. Given that there are currently 1,713,014,185 Ordinary Shares outstanding, the maximum number combined (or aggregate) Ordinary Shares that may be issued under both Plans totals 166,449,280 Ordinary Shares.

- **No Limits:** The Plans do not set out a maximum number of Ordinary Shares that may be made issuable to any one person or company and do not specify a maximum percentage of Ordinary Shares available to insiders of the Company.
- **Consideration Payable:** No amount is payable in connection with the grant of a Share Right. Upon Share Rights vesting and being exercised, Ordinary Shares may be issued for no consideration, or the Board may, at the time of grant, in its discretion, specify an amount payable for the issuance of Ordinary Shares as a performance condition attached to a Share Right, which amount may not be below the market price of the Company's Ordinary Shares. The market price will generally be calculated at the volume weighted average trading price of the Shares for the five days preceding the date of the Offer on the ASX.
- **Vesting, Exercise, Issue of Ordinary Shares and Cash Equivalent Value:** The Share Rights issued under each Plan, any performance conditions that must be satisfied in order for the Share Rights to vest and any restrictions on the ability of an eligible participant to exercise a vested Share Right ("**Exercise Restrictions**"), are established by the Board and expressed in a written offer (the "**Offer**") made by the Company to the eligible participant which, subject to acceptance by the eligible participant within a specified period, is then subject to re-affirmation by the Board. The performance conditions may include one or more of work performance of a minimum period of time, achievement of specific performance objectives by the participant and/or by the Company, payment of consideration for the issuance of Ordinary Shares, as described above or such other performance objectives as the Board may determine and set out in the Offer. Except for a performance condition that involves only the passage of a minimum period of time or the payment of money, the Board determines whether performance conditions have been met and therefore whether Share Rights have vested.

Upon Share Rights becoming vested, the Share Rights are exercisable subject to any Exercise Restrictions. Subject to the valid exercise of the Share Rights, the Company shall either issue Ordinary Shares to the participant or pay the participant the Cash Equivalent Value (provided such discretion was stated in the Offer), without any further action being required on the part of the participant.

- **Term & Lapse:** Share Rights have a term of seven years, or such other term as the Board may determine in its absolute discretion and specify in the Offer, and are subject to lapsing if performance conditions are not met by the relevant measurement date or expiry date (if no other measurement date is specified) or if employment is terminated for cause or in circumstances other than as described in the next paragraph. If a contractor is terminated for any reason, the contractor's Share Rights which have not vested will lapse.
- **Termination of Employment or Contractor Relationship: Retirement, Disability, Redundancy or Death:** Under the Employee Plan, upon the retirement, total and permanent disability, redundancy or death of a participant, as defined in the Employee Plan, performance conditions will be deemed to have been satisfied or waived, Exercise Restrictions in respect of the Share Rights will cease to apply, and Ordinary Shares shall be issued subject to the Share Rights being exercised, except a performance condition that requires the payment of money must be satisfied by the earliest to occur of 6 months from the date of retirement, disability, redundancy or death, such longer period as the Board may determine and the original expiry time of the Share Rights in order for the Share Rights to vest and, subject to the Share Rights being exercised, Ordinary Shares to be issued. Under the Employee Plan, upon termination of employment of a participant for cause or for any reason other than retirement, disability, redundancy or death, all Share Rights held by the participant will immediately and automatically lapse. Under the Contractor Plan, if at any time prior to the expiry of Share Rights the contractor dies, the contractor's legal personal representative shall be entitled to receive the Share Rights and exercise any rights in respect of the Share Rights that may exist. In all other cases of termination of contractor relationship, the Contractor Plan provides that all Share Rights that have not vested will immediately lapse. Under either Plan, where termination of employment or contractor relationship is due to resignation by the participant, the effective date of termination is deemed to be when the participant gives notice of resignation and that notice is accepted.

- **Blackout Periods:** Share Rights do not vest and may not be exercised, and Ordinary Shares may not be issued, under the Plans, during a blackout period determined in accordance with the Company's policy for trading in Company securities. Any Share Rights that vest or are exercised during a blackout period will be deemed to have vested or become exercisable immediately after termination of the blackout period.
- **Assignment:** Without approval of the Board, Share Rights may not be transferred, assigned or novated, except upon death, where a participant's legal personal representative may elect to be registered as the new holder of such Share Rights and exercise any rights in respect of them.
- **Takeover Bid or Change of Control:** In the event of: (i) a takeover bid; (ii) a change of control of the Company; or (iii) approval by the court of a merger by way of scheme of arrangement, the Board may determine in its absolute discretion the treatment of the participant's unvested Share Rights and the timing of such treatment, which may include determining that some or all of the unvested Share Rights vest, lapse or become subject to substitute or varied conditions. Any Share Rights that do not vest following the exercise of the Board's discretion will lapse immediately.
- **Alteration in Share Capital:** The Board is empowered to make, without being required to seek Shareholder approval, appropriate adjustments to Share Rights in the event of a variation of the share capital of the Company.
- **Amendment:** Subject to the requirements of any regulatory body having authority over the Company, the Plans or the Shareholders, and in particular, any restrictions or procedural requirements relating to the amendment of the terms and conditions of an employee incentive scheme imposed by the Listing Rules, the Board may exercise its discretion: (i) in accordance with the provisions of the Plans, which exercise shall not be taken to be an amendment that requires Shareholder approval; or (ii) to correct any internal inconsistencies, grammar, spelling or punctuation without Shareholder approval. The Listing Rules generally require that all other amendments must be approved by the Shareholders and the votes of insiders who benefit from the relevant Plan being amended, and any other person who benefits from the relevant Plan being amended and such person's associates, must be excluded.
- **Suspension or Termination:** The Board may suspend or terminate either or both of the Plans at any time, without notice, but the suspension or termination will not affect any existing grants of Share Rights already made.

In accordance with the requirements of Listing Rule 7.2 (Exception 9(b)), the following information is provided:

- (a) the terms of the Plans have been summarised within this Notice;
- (b) 845,205 securities have been issued under the Plans since they were approved by Shareholders on 19 November 2015, representing 0.049% of the issued and outstanding Ordinary Shares; and
- (c) a voting exclusion statement has been included in this Notice for the purposes of resolutions 4 and 5.

## **Resolution 6 – Remuneration Report**

The Board is submitting its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding resolution as required under the Corporations Act.

The Remuneration Report forms part of, and is clearly identified in, the Directors' Report included in the Company's 2018 Annual Report. The Remuneration 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 members of the Key Management Personnel of the Company; and
- details and explains any performance conditions applicable to the remuneration of executive Directors and members of the Key Management Personnel 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.

Under the Corporations Act, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the Company (Spill Resolution) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene a shareholder meeting (Spill Meeting) within 90 days of the second annual general meeting.

All of the directors of the Company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

Voting exclusions apply to this resolution as specified in the Notice and the Proxy Form.

The Chair intends to vote all available proxies in favour of adoption of the Remuneration Report, subject to any instructions of the Shareholder to the contrary included in the Proxy Form.

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board recommends that Shareholders vote in favour of resolution 6.



**Paladin Energy Ltd**  
ACN 061 681 098

**Lodge your vote:**

**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)

**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 259 129  
(outside Australia) +61 3 9415 4867



**Proxy Form**

**XX**



**Vote and view the annual report online**

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



**Your access information that you will need to vote:**

**Control Number: 132139**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



**For your vote to be effective it must be received by 10:30am (Perth time) Wednesday, 7 November 2018**

**How to Vote on Items of Business**

All your securities will be voted in accordance with your directions.

**Appointment of Proxy**

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

**Signing Instructions for Postal Forms**

**Individual:** Where the holding is in one name, the securityholder must sign.

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

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

**Attending the Meeting**

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form →**

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Paladin Energy Ltd hereby appoint

the Chairman of the Meeting OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate 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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Paladin Energy Ltd to be held in the Boardroom, CWA Club, 1176 Hay Street, West Perth, Western Australia on Friday, 9 November 2018 at 10:30am (Perth time) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 4, 5 and 6 (except where I/we have indicated a different voting intention below) even though Resolutions 4, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 4, 5 and 6 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Re-election of Director – Rick Crabb	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – David Riekie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Renewal of the Company's Proportional Takeover Approval Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Employee Performance Share Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Contractor Performance Share Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /