



**PALADIN ENERGY LTD**

**ACN 061 681 098**

---

**NOTICE OF ANNUAL GENERAL MEETING**

---

**Date of Meeting**

Friday, 18 November 2016

**Time of Meeting**

10:00am Perth time

**Place of Meeting**

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

**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 Perie Banou Room at The Royal Perth Yacht Club, Australia II Drive, Crawley, Western Australia on 18 November 2016 at 10:00am (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 2016.

**Resolution 1 – Re-election of Director – Philip Baily**

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

*"That Mr Philip Baily, 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 – 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 3 – Appointment of PricewaterhouseCoopers as auditor**

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

*"That for the purposes of section 327B of the Corporations Act and for all other purposes, PricewaterhouseCoopers, having been nominated by a Shareholder and having consented in writing to act as the Company's auditor, be appointed as auditor of the Company with effect from the close of the Annual General Meeting."*

**Resolution 4 – 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 2016."*

**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**

In accordance with section 250R of the Corporations Act, a vote on this resolution must not be cast (in any capacity) by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as a proxy appointed in writing and the Proxy Form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution directly or indirectly connected with the remuneration of a member of the Key Management Personnel.

**What this means for security holders:** If you intend to appoint a member of the Key Management Personnel (such as one of the Directors) as your proxy, please ensure that you direct them how to vote on this resolution. If you intend to appoint the Chair of the meeting as your proxy, you can direct him how to vote by marking the boxes for resolution 4, or you can choose not to mark any of the boxes and give the Chair your express authority to vote your undirected proxy (in which case the Chair will vote in favour of this item of business).

#### **Other Business**

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

#### **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;

"**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;

"**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 2016;

"**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;

"**Options**" means an option which enables the holder to subscribe for one Share.

"**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 2016;

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

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

"**TSX**" means the Toronto Stock Exchange;

"**TSX Company Manual**" means the Toronto Stock Exchange Company Manual, as amended from time to time; and

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

**Designated Foreign Issuer pursuant to Canadian Securities Laws and Eligible Inter-listed Issuer pursuant to the TSX Company Manual**

Pursuant to Canadian National Instrument 71-102 (the "Instrument") *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*, Paladin Energy Ltd. (the "Company") hereby discloses that it is a Designated Foreign Issuer as such term is defined in the Instrument and is subject to the regulatory requirements of Australian Securities laws and the rules and regulations of the Australian Securities Exchange. The Company is also an Eligible Inter-listed Issuer under the TSX Company manual and as such is exempt from certain annual disclosure requirements relating to its Employee Performance Share Rights Plan and Contractor Performance Share Rights Plan.

By order of the Board



**Ranko Matic**  
Group Company Secretary  
Dated: 6 October 2016

## 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.

For Shareholders on the Australian register, proxies must be delivered prior to 10:00am (Perth time) on Wednesday, 16 November 2016 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 4 (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 4:00pm (Perth time) on Wednesday, 16 November 2016 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.

## DIRECT VOTING

A direct vote will enable Shareholders to vote on resolutions considered at the Meeting by lodging their votes with the Company prior to the Meeting. Direct voting will enable Shareholders to exercise their voting rights without the need to attend the meeting or appoint a proxy.

A Shareholder may lodge a direct vote by using the voting form provided with this Notice.

A Shareholder may lodge a direct vote by indicating on the voting form that the Shareholder is casting the Shareholder's vote directly and then placing a mark in one of the boxes opposite each item of business on the voting form. All of the Shareholder's Ordinary Shares will be voted in accordance with such direction, unless the Shareholder indicates that the Shareholder's direction is:

- (a) to vote only a portion of the Shareholder's votes on any item; or
- (b) to cast the Shareholder's votes in different ways on any item,

by inserting the number of Shares in the appropriate box or boxes.

If a Shareholder indicates that the Shareholder is lodging the Shareholder's votes directly and then does not mark any of the boxes on a given item, no votes will be voted on that item.

If a Shareholder indicates that the Shareholder is lodging the Shareholder's votes directly and then marks more than one box on an item, the Shareholder's vote on that item will be invalid. If a Shareholder inserts a number of Shares in boxes on any item that in total exceed the number of Ordinary Shares the Shareholder holds as at the voting entitlement time, the Shareholder's vote on that item will be invalid, unless the Shareholder inserted a number of Shares in one box only on an item which exceeds the number of Ordinary Shares that the Shareholder holds at that time, in which case the Shareholder's vote will be taken to be valid for the number of Ordinary Shares actually held by that Shareholder at that time.

Please note, a Shareholder who has cast a direct vote may attend the Meeting, however, the Shareholder's attendance cancels the direct vote unless the Shareholder instructs the Company or the Company's share registry otherwise.

Shareholders can also submit their direct voting instructions online at [www.investorvote.com.au](http://www.investorvote.com.au). Please refer to the enclosed voting form for more information about submitting direct voting instructions online.

## **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 2016 will be presented for consideration.

Refer Annexure A for disclosure information on the audit committee.

### ORDINARY RESOLUTIONS

#### Resolution 1 – Re-election of Director – Philip Baily

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 Baily therefore retires from office in accordance with this requirement and submits himself for re-election

#### Mr Philip Baily BSc, MSc. Age 72

*Term in office:* Joined the Board in October 2010

*Independent:* Yes

*Skills and experience:* Mr Baily is a metallurgist with more than 40 years' experience in the mining industry, including some 11 years in the uranium sector. Throughout his career, he has been involved in the design, construction, commissioning and operation of mineral processing plants, including two uranium plants. Project locations have varied from the deserts of Australia to the tropics of Papua New Guinea and the high altitudes of Argentina. He has extensive experience, at senior management level, in the evaluation of projects from grass roots development to the acquisition of advanced projects and operating companies. These projects have been located throughout the world, many in developing countries and environmentally sensitive areas. Mr Baily holds a Bachelor of Science and a Master of Science degree in Metallurgy from the University of NSW.

*Paladin Committee Memberships:*

- Chairman of Sustainability Committee from 25 November 2010
- Member of Nomination Committee from 1 October 2010

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

#### Resolution 2 – 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 59

*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 the non-executive chairman of Golden Rim Resources Ltd (since August 2001) and was chairman, non-executive director of Otto Energy Ltd (from November 2004 to November 2015) and Platypus Minerals Ltd (formerly Ashburton Minerals Ltd) (from September 1999 to October 2015). Mr Crabb is a councillor on the Western Australian Division of the Australian Institute of Company Directors.

*Paladin Committee Memberships:*

- Member of Remuneration Committee from 1 June 2005
- Member of Nomination Committee 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 3 – Appointment of PricewaterhouseCoopers as auditor**

Following the nomination of PricewaterhouseCoopers by a shareholder (see Schedule 1 to this Explanatory Memorandum) it is proposed that PricewaterhouseCoopers be appointed as the new auditor of the Company.

The Board believes that Resolution 3 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution

### **Resolution 4 – 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 2016 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 4.

# **Annexure A – Audit Committee Disclosure**

## **AUDIT COMMITTEE**

### **Charter of the Audit Committee**

The Audit Committee assists the Board in discharging its responsibilities to ensure that the Company complies with appropriate and effective accounting, auditing, internal control, business risk management, compliance and reporting practices in accordance with the Audit Committee Charter.

The Charter of the audit committee of the Company, as adopted by the Board of Directors of the Company in April 2005 and most recently reviewed in August 2016, is set out below.

The role of the Audit Committee is to:

- monitor the integrity of the financial statements of the Company, reviewing significant financial reporting judgments;
- review the Company's internal financial control system and, unless expressly addressed by a separate risk committee or by the Board itself, risk management systems;
- monitor and review the effectiveness of the Company's internal audit function;
- monitor and review the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- monitor and review the Company's corporate reporting processes;
- perform such other functions as assigned by law, the Company's constitution, or the Board; and
- review compliance with legal and regulatory requirements.

The Audit Committee meets at least once a quarter and at any other time requested by a Board member, Company Secretary or external auditor. The external auditors attend at least twice a year and on other occasions where circumstances warrant.

### **Composition of the Audit Committee**

The Audit Committee comprises three members, Donald Shumka (Chairman), Wendong Zhang and Peter Donkin. Canadian National Instrument 52-110 *Audit Committees* ("NI 52-110") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board of Directors, reasonably interfere with the exercise of the member's independent judgment. The Board of Directors has determined that all members of the Audit Committee are "independent" directors as such term is defined in NI 52-110. The members of the Audit Committee are financially literate within the meaning of section 1.6 of NI 52-110.

Mr Shumka holds a Bachelor of Arts Degree in Economics from the University of British Columbia and a Master of Business Administration Degree from Harvard University. Mr Shumka is a Vancouver based Corporate Director with more than 40 years' experience in financial roles. From 2004 to 2011, he was President and Managing Director of Walden Management, a consulting firm specialising 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. Mr Shumka is also a director of Eldorado Gold Corp. (since May 2005), Alterra Energy Corp. (since March 2008) and Odin Mining and Exploration Ltd (since July 2014).

Mr Zhang holds a degree in Economics and Engineering from Dartmouth College, New Hampshire USA. Mr Zhang has over 23 years' experience in financial services and international capital markets and was among the first generation Chinese bankers on Wall Street working with Morgan Stanley, UBS and Citi across New York, Hong Kong and Beijing. He also co-founded two boutique investment

advisory firms focusing on China opportunities. He has completed a number of advisory, financing and investment transactions and established relationships with leading players in various sectors including conventional energy, nuclear utilities and natural resources.

Mr Donkin holds a Bachelor of Economics degree and a Bachelor of Law degree from the University of Sydney. Mr Donkin has over 30 years' experience in finance, including 20 years arranging finance in the mining sector. He was previously the Managing Director of the Mining Finance Division of Société Générale in Australia, having worked for that bank for 21 years in both their Sydney and London offices. Prior to that he was with the corporate and international banking division of the Royal Bank of Canada. His experience has involved arranging transactions for mining companies, both in Australia and internationally in a wide variety of financial products, including project finance, corporate finance, acquisition finance, export finance and early stage investment capital. He was a previously a director of Allegiance Coal Ltd (from April 2011 to August 2016), Sphere Minerals Ltd (from March 2010 to November 2010) and Carbine Tungsten Ltd (from February to April 2013).

### **Audit Fees**

The following table outlines the fees billed by Ernst & Young to the company for the fiscal years ending 30 June 2016 and 30 June 2015 categorised by audit fees, tax compliance fees and all other fees.

	Ernst & Young 2016 US\$	Ernst & Young 2015 US\$
Audit Fees	258,000	319,000
Audit Related Fes	Nil	Nil
Tax Fees	73,000	252,000
All Other Fees	15,000	Nil
Total	346,000	571,000

All non-audit services to be provided to the Company or any of subsidiaries by the external auditors or any of their affiliates are subject to approval by the audit committee. The audit committee has determined that Ernst & Young's provision of non-audit services, which were comprised predominantly of tax compliance work, was compatible with maintaining their independence.



# PALADIN ENERGY LTD

ACN 061 681 098

## AUDIT COMMITTEE CHARTER

### CONTENTS

1. Applicability
2. Role
3. Responsibilities
4. Composition
5. Meetings
6. Authority
7. Review

### 1. APPLICABILITY

This Charter applies to all members of Paladin Energy Ltd's (Paladin or the Company) Audit Committee.

### 2. ROLE

The role of the Audit Committee is to:

- (a) monitor the integrity of the financial statements of the Company, reviewing significant financial reporting judgments;
- (b) review the effectiveness of the Company's internal financial control system and, unless expressly addressed by a separate risk committee or by the Board itself, risk management systems;
- (c) monitor and review the effectiveness of the Company's internal audit function;
- (d) monitor and review the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- (e) monitor and review the Company's corporate reporting processes;
- (f) perform such other functions as assigned by law, the Company's Constitution, or the Board; and
- (g) review compliance with legal and regulatory requirements.

### 3. RESPONSIBILITIES

Annual responsibilities of the Committee are as set out in the Audit Committee Action Points (attached).

#### **4. COMPOSITION**

The Committee will be appointed by the Board and shall be composed of at least three members, the majority of which are independent non-executive directors.

At least one member is to have significant, recent and relevant financial experience.

#### **5. MEETINGS**

The Committee will meet at least once every quarter, with further meetings as required.

Meetings of the Committee may be held telephonically.

Minutes of all meetings of the Committee are to be kept and the minutes and a report of actions taken or recommended to be given at each subsequent meeting of the full Board.

Committee meetings will be governed by the same rules, as set out in Paladin's Constitution as they apply to the meetings of the Board.

At the discretion of the Chairperson, having regard to the nature of the agenda, relevant members of management and the external auditor may be invited to attend meetings.

The Committee shall meet with the external auditor without management present, as required.

#### **6. AUTHORITY**

The Company is to provide the Committee with sufficient resources to undertake its duties, including provision of educational information on accounting policies and other financial topics relevant to the Company, and such other relevant materials requested by the Committee.

The Committee is authorised:

- (a) to seek any information it requires in order to perform its duties, from any employee of Paladin; and
- (b) to obtain, at Paladin's expense, external legal or other professional advice on any matter within its Charter.

The Committee will have the power to conduct or authorise investigations into any matters within its scope of responsibilities.

#### **7. REVIEW**

The Charter will be reviewed regularly to ensure it meets best practice standards, complies with all governance principles of those stock exchanges on which it is listed and meets the requirements of Paladin and the Board. In addition, the Committee will undertake an annual performance evaluation that reviews the performance of the Committee against this Charter.

Date adopted: 12 April 2005

Last amendment: 15 October 2015

Last review: 22 August 2016

<End>

# AUDIT COMMITTEE CHARTER—ANNUAL ACTION POINTS

## Financial Reporting and Internal Controls

- Review quarter, half-year and annual financial statements
- Consider management's selection of accounting policies and principles and understand the material alternatives
- Consider the external audit of the financial statements and the external auditor's report thereon
- Consider internal controls including the Company's policies and procedures to assess, monitor and manage financial risks (and other business risks if authorised)
- Review complex and unusual transactions and their effect on the financial statements
- Review Related Party Transactions and the adequacy of their disclosure in the financial statements
- Review and endorse the internal audit programme and monitor its results on a quarterly basis
- Make recommendations to the Board for the appointment or, if necessary, the dismissal of the head of internal audit (if any)

## Annual meeting with External Auditor

- Discuss the Company's choice of accounting policies and methods, and any recommended changes
- Discuss the adequacy and effectiveness of the Company's internal controls
- Discuss any significant findings and recommendations of the external auditor and management's response thereto
- Discuss any difficulties or disputes with management encountered during the course of the audit including any restrictions or access to required information
- Discuss significant estimates and judgements used in the preparation of the financial statements

## External Auditor Engagement

- Establish/review criteria for the selection, appointment and rotation of external auditor
- Recommend to the Board to appoint and replace the external auditor and approve the terms on which the external auditor is engaged
- Establish/review permissible services that the external auditor may perform for the company and pre- approve all audit/non-audit services
- Confirm the independence of the external auditor, including reviewing the external auditor's non-audit services and related fees
- Ensure that the external auditor is requested to attend the AGM of the Company and is available to answer questions from shareholders

## Internal Communications and Reporting

- Provide copies of minutes of meetings to the full Board.
- Regularly update the Board about committee activities and make appropriate recommendations
- Ensure the Board is fully aware of matters which may significantly impact the financial conditions or affairs of the business

## Other

- Verify the membership of the committee is in accordance with the Audit Committee Charter
- Review the independence of each committee member based on ASX Corporate Governance Guidelines
- Review and update the Audit Committee Charter and Action Points
- Develop and oversee procedures for treating complaints or employee concerns received by the Company regarding accounting, internal accounting controls and auditing matters

Revised Action Points Adopted: 18 August 2005 Revised Action

Points Amended: 20 May 2014

## Schedule 1 - Nomination of Auditor

Paladin Energy Limited  
Level 4  
502 hay Street  
SUBIACO WA 6008

Westessa Holdings Pty Ltd, being a member of Paladin Energy Limited (**Company**), nominate PricewaterhouseCoopers in accordance with Section 328B(1) of the *Corporations Act 2001* (Cth) (**Act**) to fill the office of auditor of the Company.

Please distribute copies of this notice of this nomination as required by Section 328B(3) of the Act.

Signed and dated 2 September 2016

A handwritten signature in black ink, appearing to read 'R.W. Crabb', is positioned above the printed name and title.

R.W.Crabb  
Director  
Westessa Holdings Pty Ltd



**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

**In Person:**

Computershare Investor Services Pty Limited  
452 Johnston Street  
Abbotsford, Victoria 3067

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

## Voting 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: 138997**

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  
10:00am (Perth time) Wednesday, 16 November 2016**

### How to Vote on Items of Business

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

#### Vote Directly

**Voting 100% of your holding:** Mark either the For, Against or Abstain box opposite each item of business. Your vote will be invalid on an item if you do not mark any box OR you mark more than one box for that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the 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.

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

**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 "Appointment of Corporate Representative" prior to admission. A form 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 their broker of any changes.

# Voting Form

Please mark  to indicate your directions

## STEP 1 Indicate How your Vote will be Cast *Select one option only*

XX

At the Annual General Meeting of Paladin Energy Ltd to be held in the Perie Banou Room, at The Royal Perth Yacht Club, Australia II Drive, Crawley, Western Australia on Friday, 18 November 2016 at 10:00am (Perth time) and at any adjournment or postponement of that meeting, I/We being member/s of Paladin Energy Ltd direct the following:

### 1. Vote Directly

Record my/our votes strictly in accordance with directions in Step 2.

OR

### 2. Appoint a Proxy to Vote on Your Behalf: I/We 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).

**PLEASE NOTE:** A Direct Vote will take priority over the appointment of a Proxy. For a valid Direct Vote to be recorded you must mark FOR, AGAINST, or ABSTAIN on each item.

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).

**Chairman authorised to exercise undirected proxies on remuneration related resolution:** 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 Resolution 4 (except where I/we have indicated a different voting intention below) even though Resolution 4 is 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 Resolution 4 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you have appointed a proxy and 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. If you are directly voting and you mark the **Abstain** box for an item, it will be treated as though no vote has been cast on that item and no vote will be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Re-election of Director – Philip Baily	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Rick Crabb	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Appointment of PricewaterhouseCoopers as auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	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 / /